

## FIFTY-FIFTH DAY

St. Paul, Minnesota, Monday, May 10, 1993

The Senate met at 9:00 a.m. and was called to order by the President.

### CALL OF THE SENATE

Mr. Betzold 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. Jan L. Mehlhoff.

The members of the Senate gave the pledge of allegiance to the flag of the United States of America.

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

Adkins	Dille	Krentz	Morse	Robertson
Anderson	Finn	Kroening	Murphy	Runbeck
Beckman	Flynn	Laidig	Neuville	Sams
Belanger	Frederickson	Langseth	Novak	Samuelson
Benson, D.D.	Hanson	Larson	Oliver	Solon
Benson, J.E.	Hottinger	Lesewski	Olson	Spear
Berg	Janezich	Lessard	Pappas	Stevens
Berglin	Johnson, D.E.	Luther	Pariseau	Stumpf
Bertram	Johnson, D.J.	Marty	Piper	Terwilliger
Betzold	Johnson, J.B.	McGowan	Pogemiller	Vickerman
Chandler	Johnston	Merriam	Price	Wiener
Chmielewski	Kelly	Metzen	Ranum	
Cohen	Kiscaden	Moe, R.D.	Reichgott	
Day	Knutson	Mondale	Riveness	

The President declared a quorum present.

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

### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S.F. Nos. 253, 521 and 1097.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 7, 1993

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S.F. Nos. 96, 283, 1032 and 338.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 8, 1993

Mr. President:

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

S.F. No. 1244: A bill for an act relating to the Minnesota historical society; recodifying the historic sites act of 1965; proposing coding for new law in Minnesota Statutes, chapter 138; repealing Minnesota Statutes 1992, sections 138.025; 138.027; 138.52; 138.53; 138.55; 138.56; 138.58; 138.59; 138.60; 138.61; 138.62; 138.63; 138.64; 138.65; and 138.66.

Senate File No. 1244 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 7, 1993

### CONCURRENCE AND REPASSAGE

Mr. Chandler moved that the Senate concur in the amendments by the House to S.F. No. 1244 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1244: A bill for an act relating to the Minnesota historical society; recodifying the historic sites act of 1965; providing for a recorded music center; requiring a study of Carver's Cave; proposing coding for new law in Minnesota Statutes, chapter 138; repealing Minnesota Statutes 1992, sections 138.025; 138.027; 138.52; 138.53; 138.55; 138.56; 138.58; 138.59; 138.60; 138.61; 138.62; 138.63; 138.64; 138.65; and 138.66.

Was read the third time, as amended by the House, and placed on its repassage.

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

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

Those who voted in the affirmative were:

Adkins	Day	Kroening	Morse	Sams
Anderson	Finn	Laidig	Murphy	Spear
Belanger	Flynn	Langseth	Neuville	Stevens
Benson, D.D.	Frederickson	Larson	Oliver	Stumpf
Benson, J.E.	Hanson	Lesewski	Olson	Terwilliger
Berg	Hottinger	Lessard	Pariseau	Vickerman
Berglin	Johnson, D.E.	Luther	Piper	Wiener
Betzold	Johnston	Marty	Pogemiller	
Chandler	Kelly	Metzen	Price	
Chmielewski	Knutson	Moe, R.D.	Ranum	
Cohen	Krentz	Mondale	Runbeck	

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

### MESSAGES FROM THE HOUSE – CONTINUED

Mr. President:

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

S.F. No. 1148: A bill for an act relating to traffic regulations; increasing fees for overweight trucks; authorizing permit to be issued for trailer or semitrailer exceeding 28-1/2 feet in three-vehicle combination; amending Minnesota Statutes 1992, sections 169.81, subdivision 2; and 169.86, subdivision 5.

Senate File No. 1148 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 7, 1993

### CONCURRENCE AND REPASSAGE

Mr. Bertram moved that the Senate concur in the amendments by the House to S.F. No. 1148 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1148 was read the third time, as amended by the House, and placed on its repassage.

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

The roll was called, and there were yeas 55 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Cohen	Knutson	Mondale	Rånun
Anderson	Day	Krentz	Morse	Riveness
Belanger	Finn	Kroening	Murphy	Runbeck
Benson, D.D.	Flynn	Laidig	Neuville	Sams
Benson, J.E.	Hanson	Larson	Novak	Solon
Berg	Hottinger	Lesewski	Oliver	Spear
Berglin	Johnson, D.E.	Lessard	Olson	Stevens
Bertram	Johnson, D.J.	Luther	Pariseau	Stumpf
Betzold	Johnson, J.B.	Marty	Piper	Terwilliger
Chandler	Johnston	Metzen	Pogemiller	Vickerman
Chmielewski	Kelly	Moe, R.D.	Price	Wiener

Mr. Frederickson voted in the negative.

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

### MESSAGES FROM THE HOUSE – CONTINUED

Mr. President:

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

S.F. No. 589: A bill for an act relating to the St. Anthony Falls heritage board; permitting the mayor of Minneapolis and the chair of the Hennepin board of commissioners to designate a representative to the board; amending Minnesota Statutes 1992, section 138.763, subdivision 1.

Senate File No. 589 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 7, 1993

### CONCURRENCE AND REPASSAGE

Mr. Kroening moved that the Senate concur in the amendments by the House to S.F. No. 589 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 589: A bill for an act relating to the St. Anthony Falls heritage board; providing for the composition of the board; amending Minnesota Statutes 1992, section 138.763, subdivision 1.

Was read the third time, as amended by the House, and placed on its repassage.

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

The roll was called, and there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Day	Krentz	Morse	Riveness
Anderson	Finn	Kroening	Murphy	Runbeck
Belanger	Flynn	Laidig	Neuville	Sams
Benson, D.D.	Frederickson	Langseth	Novak	Spear
Benson, J.E.	Hanson	Larson	Oliver	Stevens
Berg	Hottinger	Lesewski	Olson	Stumpf
Berglin	Johnson, D.E.	Lessard	Pariseau	Terwilliger
Bertram	Johnson, D.J.	Luther	Piper	Vickerman
Betzold	Johnson, J.B.	Marty	Pogemiller	Wiener
Chandler	Johnston	Metzen	Price	
Chmielewski	Kelly	Moe, R.D.	Ranum	
Cohen	Knutson	Mondale	Reichgott	

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

### MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

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

S.F. No. 536: A bill for an act relating to sheriffs; imposing on sheriffs a duty to investigate snowmobile accidents; amending Minnesota Statutes 1992, sections 84.86, subdivision 1; 84.872; and 387.03.

Senate File No. 536 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 7, 1993

### CONCURRENCE AND REPASSAGE

Mr. Finn moved that the Senate concur in the amendments by the House to S.F. No. 536 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 536: A bill for an act relating to recreational vehicles; expanding the jurisdiction of the commissioner of natural resources over the use of snowmobiles and all-terrain vehicles on public lands and waters; changing accident reporting duties; providing that the person in lawful control of a snowmobile or all-terrain vehicle is responsible for the operation of these vehicles by youthful operators; providing that a portion of the fines and assessments collected from recreational vehicle violations shall be credited to the snowmobile trails and enforcement account in the natural resources fund; expanding the duties of the sheriff to include investigating recreational vehicle accidents involving injury or death; amending Minnesota Statutes 1992, sections 84.86, subdivision 1; 84.872; 84.924, subdivisions 1 and 3; 84.9256, subdivision 3; 97A.065, subdivision 2; and 387.03.

Was read the third time, as amended by the House, and placed on its repassage.

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

The roll was called, and there were yeas 56 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Day	Kroening	Murphy	Sams
Anderson	Finn	Laidig	Neuville	Samuelson
Belanger	Flynn	Langseth	Novak	Spear
Benson, D.D.	Hanson	Larson	Oliver	Stevens
Benson, J.E.	Hottinger	Lesewski	Olson	Stumpf
Berg	Johnson, D.E.	Lessard	Pariseau	Terwilliger
Berglin	Johnson, D.J.	Luther	Piper	Vickerman
Bertram	Johnson, J.B.	Marty	Price	Wiener
Betzold	Johnston	Metzen	Ranum	
Chandler	Kelly	Moe, R.D.	Reichgott	
Chmielewski	Knutson	Mondale	Riveness	
Cohen	Krentz	Morse	Runbeck	

Mr. Frederickson voted in the negative.

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

### MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

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

S.F. No. 1208: A bill for an act relating to game and fish; allowing walleye and northern pike to be possessed and transported in a dressed or undressed condition; establishing an experimental program for commercial fishing in Minnesota-Wisconsin boundary waters; limiting number of larger pike taken; amending Minnesota Statutes 1992, sections 97A.551, by adding a subdivision; and 97C.401.

Senate File No. 1208 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 7, 1993

### CONCURRENCE AND REPASSAGE

Mr. Price moved that the Senate concur in the amendments by the House to S.F. No. 1208 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1208 was read the third time, as amended by the House, and placed on its repassage.

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

The roll was called, and there were yeas 47 and nays 13, as follows:

Those who voted in the affirmative were:

Anderson	Johnson, D.J.	Lessard	Neuville	Runbeck
Belanger	Johnson, J.B.	Luther	Novak	Sams
Berglin	Johnston	Marty	Oliver	Spear
Betzold	Kelly	McGowan	Olson	Stevens
Chandler	Kiscaden	Merriam	Pipcr	Terwilliger
Cohen	Knutson	Metzen	Pogemiller	Vickerman
Flynn	Krentz	Moe, R.D.	Price	Wiener
Frederickson	Kroening	Mondale	Ranum	
Hottinger	Laidig	Morse	Riveness	
Johnson, D.E.	Langseth	Murphy	Robertson	

Those who voted in the negative were:

Adkins	Bertram	Finn	Lesewski	Stumpf
Benson, D.D.	Chmielewski	Hanson	Pariseau	
Berg	Day	Larson	Samuelson	

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

### MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

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

S.F. No. 697: A bill for an act relating to water; requiring criteria for water deficiency declarations; prohibiting the use of groundwater for surface water level maintenance; requiring review of water appropriation permits; requiring contingency planning for water shortages; changing water appropriation permit requirements; requiring changes to the metropolitan area water supply plan; requiring reports to the legislature; amending Minnesota Statutes 1992, sections 103G.261; 103G.265, subdivision 3; 103G.271, subdivision 7, and by adding subdivisions; 103G.291, by adding a subdivision; 103G.301, subdivision 1; 115.03, subdivision 1; 473.156, subdivision 1; 473.175, subdivision 1; 473.851; and 473.859, subdivisions 3, 4, and by adding a subdivision.

Senate File No. 697 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 8, 1993

### CONCURRENCE AND REPASSAGE

Mr. Price moved that the Senate concur in the amendments by the House to S.F. No. 697 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 697 was read the third time, as amended by the House, and placed on its repassage.

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

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Finn	Kroening	Morse	Robertson
Anderson	Flynn	Laidig	Murphy	Runbeck
Belanger	Frederickson	Langseth	Neuville	Sams
Benson, D.D.	Hanson	Larson	Novak	Samuelson
Benson, J.E.	Hottinger	Lesewski	Oliver	Solon
Berg	Johnson, D.E.	Lessard	Olson	Spear
Berglin	Johnson, D.J.	Luther	Pariseau	Stevens
Bertram	Johnson, J.B.	Marty	Piper	Stumpf
Betzold	Johnston	McGowan	Pogemiller	Terwilliger
Chandler	Kelly	Merriam	Price	Vickerman
Chmielewski	Kiscaden	Metzen	Ranum	Wiener
Cohen	Knutson	Moe, R.D.	Reichgott	
Day	Krentz	Mondale	Riveness	

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

### MESSAGES FROM THE HOUSE – CONTINUED

Mr. President:

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

S.F. No. 1413: A bill for an act relating to workers' compensation; excluding certain wages in determining insurance premiums; modifying provisions relating to charges by certain nursing homes; amending Minnesota Statutes 1992, sections 79.211, subdivision 1; and 176.136, subdivision 1b.

Senate File No. 1413 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 8, 1993

### CONCURRENCE AND REPASSAGE

Mr. Chandler moved that the Senate concur in the amendments by the

House to S.F. No. 1413 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1413 was read the third time, as amended by the House, and placed on its repassage.

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

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Finn	Kroening	Morse	Robertson
Anderson	Flynn	Laidig	Murphy	Runbeck
Belanger	Frederickson	Langseth	Neuville	Sams
Benson, D.D.	Hanson	Larson	Novak	Samuelson
Benson, J.E.	Hottinger	Lesewski	Oliver	Solon
Berg	Johnson, D.E.	Lessard	Olson	Spear
Berglin	Johnson, D.J.	Luther	Pariseau	Stevens
Bertram	Johnson, J.B.	Marty	Piper	Stumpf
Betzold	Johnson	McGowan	Pogemiller	Terwilliger
Chandler	Kelly	Merriam	Price	Vickerman
Chmielewski	Kiscaden	Metzen	Ranum	Wiener
Cohen	Knutson	Moe, R.D.	Reichgott	
Day	Krentz	Mondale	Riveness	

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

## MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 1570, and repassed said bill in accordance with the report of the Committee, so adopted.

S.F. No. 1570: A bill for an act relating to the organization and operation of state government; appropriating money for environmental, natural resource, and agricultural purposes; transferring responsibilities to the commissioner of natural resources; continuing the citizen's council on Voyageurs national park; providing for crop protection assistance; changing certain license fees; imposing a solid waste assessment; modifying the hazardous waste generator tax; establishing a hazardous waste generator loan program; expanding the number of facilities subject to pollution prevention requirements; providing for membership on the legislative commission on Minnesota resources; requiring a toxic air contaminant strategy; amending Minnesota Statutes 1992, sections 17.59, subdivision 5; 17A.11; 18B.05, subdivision 2; 18C.131; 21.115; 21.92; 25.39, subdivision 4; 27.07, subdivision 6; 32.394, subdivision 9; 32A.05, subdivision 4; 41A.09, by adding a subdivision; 84.027, by adding a subdivision; 85.016; 85.22, subdivision 2a; 85A.02, subdivision 17; 88.79, subdivision 2; 97A.055, subdivision 1, and by adding a subdivision; 97A.065, subdivision 3; 97A.071, subdivision 2; 97A.075, subdivisions 1 and 4; 97A.441, by adding a subdivision; 97A.475, subdivision 12; 97C.355, subdivision 2; 103F.725, by adding a subdivision; 115A.96, subdivisions 3 and 4; 115B.22, by adding subdivisions; 115B.24, subdivision 6; 115B.42, subdivision 2; 115D.07, subdivision 1; 115D.10; 115D.12, subdivision 2; 116J.401; 116P.05, subdivision 1; 116P.10; 116P.11; 160.265; 297A.45, by adding a subdivision; 299K.08, by adding a subdivision; 473.351, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 85; 97A; 115A; 115B; and 115D; repealing Minnesota

Statutes 1992, sections 97A.065, subdivision 3; 97A.071, subdivision 2; 97A.075, subdivisions 2, 3, and 4; 97B.715, subdivision 1; 97B.801; 97C.305; 115B.21, subdivisions 4 and 6; 115B.22, subdivisions 1, 2, 3, 4, 5, and 6.

Senate File No. 1570 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 7, 1993

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1151:

H.F. No. 1151: A bill for an act relating to employment; requiring wage payments at certain times; amending Minnesota Statutes 1992, section 181.101.

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

Dauner, Cooper and Goodno have been appointed as such committee on the part of the House.

House File No. 1151 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 7, 1993

Mr. Langseth moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 1151, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 988:

H.F. No. 988: A bill for an act relating to game and fish; allowing the taking of two deer in designated counties; amending Minnesota Statutes 1992, section 97B.301, subdivisions 2, 4, and by adding a subdivision.

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

Sparby, Tunheim and Stanius have been appointed as such committee on the part of the House.

House File No. 988 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 7, 1993

Mr. Stumpf moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 988, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 931:

H.F. No. 931: A bill for an act relating to motor fuels; increasing minimum oxygen content in certain areas at certain times; amending Minnesota Statutes 1992, section 239.791, subdivisions 1 and 2.

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

Peterson, Long and Rest have been appointed as such committee on the part of the House.

House File No. 931 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 8, 1993.

Mr. Bertram moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 931, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 1247, 1138 and 1499.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 7, 1993

### FIRST READING OF HOUSE BILLS

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

H.F. No. 1247: A bill for an act relating to motor vehicles; establishing automobile theft prevention program and creating board; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 168A.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 867.

H.F. No. 1138: A bill for an act relating to agriculture; changing eligibility and participation requirements for certain rural finance authority programs; authorizing an application fee; amending Minnesota Statutes 1992, sections

41B.03, subdivision 1, and by adding a subdivision; 41B.039, subdivision 2; and 41B.042, subdivision 4.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 908.

H.F. No. 1499: A bill for an act relating to consumer protection; providing for training requirements for manual or mechanical therapy; requiring diagnosis of a person's condition before therapy; providing for rulemaking; imposing a penalty; proposing coding for new law in Minnesota Statutes, chapter 146.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1311, now on General Orders.

### REPORTS OF COMMITTEES

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

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

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

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
543	388				

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

Delete all the language after the enacting clause of H.F. No. 543 and insert the language after the enacting clause of S.F. No. 388, the first engrossment; further, delete the title of H.F. No. 543 and insert the title of S.F. No. 388, the first engrossment.

And when so amended H.F. No. 543 will be identical to S.F. No. 388, and further recommends that H.F. No. 543 be given its second reading and substituted for S.F. No. 388, 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. 1081 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.
1081	1597				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1081 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1081 and insert the language after the enacting clause of S.F. No. 1597, the first engrossment; further, delete the title of H.F. No. 1081 and insert the title of S.F. No. 1597, the first engrossment.

And when so amended H.F. No. 1081 will be identical to S.F. No. 1597, and further recommends that H.F. No. 1081 be given its second reading and substituted for S.F. No. 1597, 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. 192 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.
192	255				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 192 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 192 and insert the language after the enacting clause of S.F. No. 255, the second engrossment; further, delete the title of H.F. No. 192 and insert the title of S.F. No. 255, the second engrossment.

And when so amended H.F. No. 192 will be identical to S.F. No. 255, and further recommends that H.F. No. 192 be given its second reading and substituted for S.F. No. 255, 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. 623 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.
623	474				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 623 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 623 and insert the language after the enacting clause of S.F. No. 474, the first engrossment; further, delete the title of H.F. No. 623 and insert the title of S.F. No. 474, the first engrossment.

And when so amended H.F. No. 623 will be identical to S.F. No. 474, and further recommends that H.F. No. 623 be given its second reading and substituted for S.F. No. 474, 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. 373 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.
373	891				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 373 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 373 and insert the language after the enacting clause of S.F. No. 891, the first engrossment; further, delete the title of H.F. No. 373 and insert the title of S.F. No. 891, the first engrossment.

And when so amended H.F. No. 373 will be identical to S.F. No. 891, and further recommends that H.F. No. 373 be given its second reading and substituted for S.F. No. 891, 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. 519 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.
519	184				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 519 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 519 and insert the language after the enacting clause of S.F. No. 184, the second engrossment; further, delete the title of H.F. No. 519 and insert the title of S.F. No. 184, the second engrossment.

And when so amended H.F. No. 519 will be identical to S.F. No. 184, and further recommends that H.F. No. 519 be given its second reading and substituted for S.F. No. 184, and that the Senate File be indefinitely postponed.

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

## SECOND READING OF HOUSE BILLS

H.F. Nos. 543, 1081, 192, 623, 373 and 519 were read the second time.

## MOTIONS AND RESOLUTIONS

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 327 a Special Order to be heard immediately.

## SPECIAL ORDER

H.F. No. 327: A bill for an act relating to motor vehicles; providing for free motor vehicle license plates for former prisoners of war; exempting former prisoners of war plates from motor vehicle registration tax; amending Minnesota Statutes 1992, sections 168.031; 168.12, subdivision 5; and 168.125, 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 53 and nays 10, as follows:

Those who voted in the affirmative were:

Adkins	Day	Knutson	Mondale	Riveness
Anderson	Dille	Krentz	Morse	Runbeck
Benson, D.D.	Finn	Kroening	Murphy	Sams
Benson, J.E.	Frederickson	Laidig	Neuville	Samuelson
Berg	Hanson	Larson	Novak	Solon
Berglin	Hottinger	Lesewski	Olson	Stevens
Bertram	Johnson, D.E.	Lessard	Pariseau	Stumpf
Betzold	Johnson, D.J.	Luther	Piper	Terwilliger
Chandler	Johnson, J.B.	McGowan	Pogemiller	Vickerman
Chmielewski	Johnston	Metzen	Price	
Cohen	Kelly	Moe, R.D.	Reichgott	

Those who voted in the negative were:

Belanger	Kiscaden	Merriam	Ranum	Spear
Flynn	Marty	Oliver	Robertson	Wiener

So the bill passed and its title was agreed to.

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

**MESSAGES FROM THE HOUSE**

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 163, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 163 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 8, 1993

**CONFERENCE COMMITTEE REPORT ON H.F. NO. 163**

A bill for an act relating to campaign reform; limiting noncampaign disbursements to items specified by law; requiring lobbyists and political committees and funds to include their registration number on contributions; prohibiting certain "friends of" committees; requiring reports by certain solicitors of campaign contributions; limiting use of contributions carried forward; requiring unused postage to be carried forward as an expenditure; requiring certain notices; changing contribution limits; limiting contributions by political parties; prohibiting transfers from one candidate to another, with certain exceptions; limiting contributions by certain political committees, funds, and individuals; eliminating public subsidies to unopposed candidates; providing for a public subsidy to match in-district contributions; clarifying filing requirements for candidate agreements and the duration of the agreements; requiring return of public subsidies under certain conditions; imposing contribution limits on candidates for local offices; prohibiting political contributions by certain nonprofit corporations and partnerships; requiring a report of candidates on whose behalf political contributions have been refunded by the state; defining certain terms; clarifying certain language; appropriating money; amending Minnesota Statutes 1992, sections 10A.01, subdivision 10c, and by adding a subdivision; 10A.04, by adding a subdivision; 10A.065, subdivision 1; 10A.14, subdivision 2; 10A.15, by adding subdivisions; 10A.19, subdivision 1; 10A.20, subdivision 3, and by adding a subdivision; 10A.25, by adding subdivisions; 10A.27, subdivisions 1, 2, 9, and by adding subdivisions; 10A.31, subdivisions 6, 8, and by adding a subdivision; 10A.322, subdivisions 1 and 2; 10A.324, subdivisions 1 and 3; 211B.15; 290.06, subdivision 23; proposing coding for new law in Minnesota Statutes, chapters 10A; 211A; and 211B.

May 5, 1993

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

We, the undersigned conferees for H.F. No. 163, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H.F. No. 163 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 10A.01, is amended by adding a subdivision to read:

*Subd. 9a. [ELECTION CYCLE.] "Election cycle" means the period from January 1 following a general election for an office to December 31 following the next general election for that office, except that "election cycle" for a special election means the period from the date the special election writ is issued to 60 days after the special election is held.*

Sec. 2. Minnesota Statutes 1992, section 10A.01, subdivision 10b, is amended to read:

*Subd. 10b. "Independent expenditure" means an expenditure expressly advocating the election or defeat of a clearly identified candidate, which expenditure is made without the express or implied consent, authorization, or cooperation of, and not in concert with or at the request or suggestion of, any candidate or any candidate's principal campaign committee or agent. An independent expenditure is not a contribution to that candidate. An expenditure by a political party or political party unit, as defined in section 10A.275, subdivision 3, in a race where the political party has a candidate on the ballot is not an independent expenditure.*

Sec. 3. Minnesota Statutes 1992, section 10A.01, subdivision 10c, is amended to read:

*Subd. 10c. [NONCAMPAIGN DISBURSEMENT.] "Noncampaign disbursement" means a purchase or payment of money or anything of value made, or an advance of credit incurred, by a political committee, political fund, or principal campaign committee for any purpose other than to influence the nomination or election of a candidate or to promote or defeat a ballot question.*

*Noncampaign disbursement includes any of the following purposes:*

- (a) payment for accounting and legal services;
- (b) return of a contribution to the source;
- (c) repayment of a loan made to the political committee, political fund, or principal campaign committee by that committee or fund;
- (d) return of money from the state elections campaign fund a public subsidy;
- (e) payment for food, beverages, entertainment, and facility rental for a fundraising event;
- (f) services for a constituent by a member of the legislature or a constitutional officer in the executive branch, performed from the beginning of the term of office to 60 days after adjournment sine die of the legislature in the election year for the office held, and half the cost of services for a constituent by a member of the legislature or a constitutional officer in the executive branch performed from adjournment sine die to 60 days after adjournment sine die;
- (g) a donation in kind given to the political committee, political fund, or principal campaign committee for purposes listed in clauses (e) and (f);

(h) payment for food and beverages provided to campaign volunteers while they are engaged in campaign activities;

(i) payment of expenses incurred by elected or appointed leaders of a legislative caucus in carrying out their leadership responsibilities;

(j) payment by a principal campaign committee of the candidate's expenses for serving in public office, other than for personal uses;

(k) costs of child care for the candidate's children when campaigning;

(l) fees paid to attend a campaign school;

(m) costs of a postelection party during the election year when a candidate's name will no longer appear on a ballot or the general election is concluded, whichever occurs first;

(n) interest on loans paid by a principal campaign committee on outstanding loans;

(o) filing fees;

(p) post-general election thank-you notes or advertisements in the news media;

(q) the cost of campaign material purchased to replace defective campaign material, if the defective material is destroyed without being used;

(r) transfers to a party unit as defined in section 10A.275, subdivision 3; and

(s) other purchases or payments specified in board rules or advisory opinions as being for any purpose other than to influence the nomination or election of a candidate or to promote or defeat a ballot question.

The board shall determine whether an activity involves a noncampaign disbursement within the meaning of this subdivision; and

~~(h) Payment for food and beverages provided to campaign volunteers while they are engaged in campaign activities.~~

Sec. 4. Minnesota Statutes 1992, section 10A.01, is amended by adding a subdivision to read:

Subd. 29. [POPULATION.] "Population" means the population established by the most recent federal census, by a special census taken by the United States Bureau of the Census, by an estimate made by the metropolitan council, or by an estimate made by the state demographer under section 4A.02, whichever has the latest stated date of count or estimate.

Sec. 5. Minnesota Statutes 1992, section 10A.04, is amended by adding a subdivision to read:

Subd. 8. [REPORTS BY SOLICITORS.] A lobbyist who directly solicits and causes others to make aggregate contributions to candidates or a caucus of the members of a political party in a house of the legislature in excess of \$5,000 between January 1 of the election year and 25 days before the primary or general election must file the information in the report required by section 10A.20, subdivision 14, ten days before the primary or general election. This disclosure requirement is in addition to the report required by section 10A.20, subdivision 14.

Sec. 6. Minnesota Statutes 1992, section 10A.065, subdivision 1, is amended to read:

Subdivision 1. [REGISTERED LOBBYIST CONTRIBUTIONS; LEGISLATIVE SESSION.] A candidate for the legislature or for constitutional office, a candidate's principal campaign committee, any other political committee with the candidate's name or title, ~~or any committee authorized by the candidate, or a political committee established by all or a part of the party organization within a house of the legislature,~~ shall not solicit or accept a contribution on behalf of ~~the~~ a candidate's principal campaign committee, any other political committee with the candidate's name or title, ~~or any committee authorized by the candidate, or a political committee established by all or a part of the party organization within a house of the legislature,~~ from a registered lobbyist, political committee, or political fund during a regular session of the legislature.

Sec. 7. Minnesota Statutes 1992, section 10A.065, subdivision 5, is amended to read:

Subd. 5. [POLITICAL COMMITTEE.] This section does not apply to a political committee established by a state political party; by the party organization within a congressional district, county, legislative district, municipality, or precinct; ~~by all or part of the party organization within each house of the legislature, except for individual members;~~ by a candidate for a judicial office; or to a member of such a political committee acting solely on behalf of the committee.

Sec. 8. Minnesota Statutes 1992, section 10A.14, subdivision 2, is amended to read:

Subd. 2. The statement of organization shall include:

- (a) The name and address of the political committee or political fund;
- (b) The name and address of any supporting association of a political fund;
- (c) The name and address of the chair, the treasurer, and any deputy treasurers;
- (d) A listing of all depositories or safety deposit boxes used;
- (e) A statement as to whether the committee is a principal campaign committee *as authorized by section 10A.19, subdivision 1;* and
- (f) For political parties only, a list of categories of substate units as defined in section 10A.27, subdivision 4.

Sec. 9. Minnesota Statutes 1992, section 10A.15, is amended by adding a subdivision to read:

Subd. 3c. [RELATED COMMITTEES.] *An individual, association, political committee, or political fund may establish, finance, maintain, or control a political committee or political fund. One who does this is a "parent." The political committee or fund so established, financed, maintained, or controlled is a "subsidiary." If the parent is an association, the association must create a political committee or political fund to serve as the parent for reporting purposes. A subsidiary must report its contribution to a candidate or principal campaign committee as attributable to its parent, and the contri-*

but ion is counted toward the contribution limits in section 10A.27 of the parent as well as of the subsidiary.

Sec. 10. Minnesota Statutes 1992, section 10A.15, is amended by adding a subdivision to read:

*Subd. 5. [LOBBYIST, POLITICAL COMMITTEE, OR POLITICAL FUND REGISTRATION NUMBER ON CHECKS.] A contribution made to a candidate by a lobbyist, political committee, or political fund must show the name of the lobbyist, political committee, or political fund and the number under which it is registered with the board.*

Sec. 11. Minnesota Statutes 1992, section 10A.16, is amended to read:

**10A.16 [EARMARKING CONTRIBUTIONS PROHIBITED.]**

~~Any~~ An individual, political committee or political fund ~~which receives may not solicit or accept~~ a contribution from any source with the express or implied condition that the contribution or any part of it be directed to a particular candidate ~~shall disclose to the ultimate recipient, and in the reports required by section 10A.20, the original source of the contribution, the fact that the contribution is earmarked and the candidate to whom it is directed. The ultimate recipient of any contribution so earmarked shall also disclose the original source and the individual, political committee, or political fund through which it is directed. This section applies only to contributions required to be disclosed by section 10A.20, subdivision 3, clause (b). Any other than the initial recipient. An individual, political committee, or political fund who knowingly accepts any earmarked contribution and fails to make the required disclosure is guilty of a gross misdemeanor.~~

Sec. 12. Minnesota Statutes 1992, section 10A.17, subdivision 4, is amended to read:

Subd. 4. Any individual, political committee, or political fund who independently solicits or accepts contributions or makes independent expenditures on behalf of any candidate shall publicly disclose that the ~~candidate has not approved the expenditure is an independent expenditure.~~ All written communications with those from whom contributions are independently solicited or accepted or to whom independent expenditures are made on behalf of a candidate, shall contain a statement in conspicuous type that the activity ~~is an independent expenditure and~~ is not approved by the candidate nor is the candidate responsible for it. Similar language shall be included in all oral communications, in conspicuous type on the front page of all literature and advertisements published or posted, and at the end of all broadcast advertisements made by that individual, political committee or political fund on the candidate's behalf.

Sec. 13. Minnesota Statutes 1992, section 10A.17, subdivision 5, is amended to read:

Subd. 5. Any person who knowingly violates the provisions of subdivision 2 or 4, ~~or who falsely claims that the candidate has not approved the expenditure or activity~~ is guilty of a misdemeanor. ~~A person who knowingly violates the provisions of subdivision 4 or falsely claims that an expenditure was an independent expenditure is guilty of a gross misdemeanor.~~

Sec. 14. Minnesota Statutes 1992, section 10A.19, subdivision 1, is amended to read:

Subdivision 1. No candidate shall accept contributions from any source, other than self, in aggregate in excess of \$100 or ~~any money from the state elections campaign fund~~ *accept a public subsidy* unless the candidate designates and causes to be formed a single principal campaign committee for each office sought. *A candidate may not authorize, designate, or cause to be formed any other political committee bearing the candidate's name or title or otherwise operating under the direct or indirect control of the candidate. However, a candidate may be involved in the direct or indirect control of a party unit as defined in section 10A.275, subdivision 3.*

*A political committee bearing a candidate's name or title or otherwise operating under the direct or indirect control of the candidate, other than a principal campaign committee of the candidate, may not accept contributions after the effective date of this section, and must be dissolved by December 31, 1993.*

Sec. 15. Minnesota Statutes 1992, section 10A.20, subdivision 2, is amended to read:

Subd. 2. The reports shall be filed with the board on or before January 31 of each year and additional reports shall be filed as required and in accordance with clauses (a) and (b).

(a) In each year in which the name of the candidate is on the ballot, the report of the principal campaign committee shall be filed ten days before a primary and a general election, seven days before a special primary and a special election, and ~~30~~ *ten* days after a special election *cycle*. The report due after a special election may be filed on January 31 following the special election if the special election is held not more than 60 days before that date.

(b) In each general election year political committees and political funds other than principal campaign committees shall file reports ten days before a primary and general election.

If a scheduled filing date falls on a Saturday, Sunday or legal holiday, the filing date shall be the next regular business day.

Sec. 16. Minnesota Statutes 1992, section 10A.20, subdivision 3, is amended to read:

Subd. 3. [CONTENTS OF REPORT.] Each report under this section shall disclose:

(a) The amount of liquid assets on hand at the beginning of the reporting period;

(b) The name, address and employer, or occupation if self-employed, of each individual, political committee or political fund who within the year has made one or more transfers or donations in kind to the political committee or political fund, including the purchase of tickets for all fund raising efforts, which in aggregate exceed \$100 for legislative or statewide candidates or ballot questions, together with the amount and date of each transfer or donation in kind, and the aggregate amount of transfers and donations in kind within the year from each source so disclosed. A donation in kind shall be disclosed at its fair market value. An approved expenditure is listed as a donation in kind. A donation in kind is considered consumed in the reporting period in which it is received. The names of contributors shall be listed in alphabetical order;

(c) The sum of contributions to the political committee or political fund during the reporting period;

(d) Each loan made or received by the political committee or political fund within the year in aggregate in excess of \$100, continuously reported until repaid or forgiven, together with the name, address, occupation and the principal place of business, if any, of the lender and any endorser and the date and amount of the loan. If any loan made to the principal campaign committee of a candidate is forgiven at any time or repaid by any entity other than that principal campaign committee, it shall be reported as a contribution for the year in which the loan was made;

(e) Each receipt in excess of \$100 not otherwise listed under clauses (b) to (d);

(f) The sum of all receipts of the political committee or political fund during the reporting period;

(g) The name and address of each individual or association to whom aggregate expenditures, including approved expenditures, have been made by or on behalf of the political committee or political fund within the year in excess of \$100, together with the amount, date and purpose of each expenditure and the name and address of, and office sought by, each candidate on whose behalf the expenditure was made, identification of the ballot question which the expenditure is intended to promote or defeat, and in the case of independent expenditures made in opposition to a candidate, the name, address and office sought for each such candidate;

(h) The sum of all expenditures made by or on behalf of the political committee or political fund during the reporting period;

(i) The amount and nature of any advance of credit incurred by the political committee or political fund, continuously reported until paid or forgiven. If any advance of credit incurred by the principal campaign committee of a candidate is forgiven at any time by the creditor or paid by any entity other than that principal campaign committee, it shall be reported as a donation in kind for the year in which the advance of credit was incurred;

(j) The name and address of each political committee, political fund, or principal campaign committee to which aggregate transfers in excess of \$100 have been made within the year, together with the amount and date of each transfer;

(k) The sum of all transfers made by the political committee, political fund, or principal campaign committee during the reporting period;

(l) Except for contributions to a candidate or committee for a candidate for office in a municipality as defined in section 471.345, subdivision 1, the name and address of each individual or association to whom aggregate noncampaign disbursements in excess of \$100 have been made within the year by or on behalf of a principal campaign committee, political committee, or political fund, together with the amount, date, and purpose of each noncampaign disbursement; and

(m) The sum of all noncampaign disbursements made within the year by or on behalf of a principal campaign committee, political committee, or political fund; and

(n) A report filed under subdivision 2, clause (b), by a political committee or political fund that is subject to subdivision 14, must contain the information required by subdivision 14, if the political committee or political fund has solicited and caused others to make aggregate contributions greater than \$5,000 between January 1 of the general election year and the end of the reporting period. This disclosure requirement is in addition to the report required by subdivision 14.

Sec. 17. Minnesota Statutes 1992, section 10A.20, is amended by adding a subdivision to read:

*Subd. 6b. [INDEPENDENT EXPENDITURES; NOTICE.] Within 24 hours after an individual, political committee, or political fund makes or becomes obligated by oral or written agreement to make an independent expenditure in excess of \$100, other than an expenditure by an association targeted to inform solely its own dues-paying members of the association's position on a candidate, the individual, political committee, or political fund shall file with the board a notice of the intent to make the expenditure. The notice must contain the information with respect to the expenditure that is required to be reported under subdivision 3, paragraph (g); except that if an expenditure is reported before it is made, the notice must include a reasonable estimate of the anticipated amount. Each new expenditure requires a new notice.*

Sec. 18. Minnesota Statutes 1992, section 10A.20, is amended by adding a subdivision to read:

*Subd. 14. [REPORTS BY SOLICITORS.] An individual, association, political committee, or political fund, other than a candidate or the members of a candidate's principal campaign committee, that directly solicits and causes others to make contributions to candidates or a caucus of the members of a political party in a house of the legislature, that aggregate more than \$5,000 in a calendar year must file with the board a report disclosing the amount of each contribution, the names of the contributors, and to whom the contributions were given. The report for each calendar year must be filed with the board by January 31 of the following year. The report must cover the accumulated contributions made or received during the calendar year.*

Sec. 19. Minnesota Statutes 1992, section 10A.24, subdivision 1, is amended to read:

*Subdivision 1. [TERMINATION REPORT.] No political committee or political fund shall dissolve until it has settled all of its debts and disposed of all its assets in excess of \$100 and filed a termination report. "Assets" include credit balances at vendors and physical assets such as computers and postage stamps. Physical assets must be listed at their fair market value. The termination report may be made at any time and shall include all information required in periodic reports.*

Sec. 20. Minnesota Statutes 1992, section 10A.25, subdivision 2, is amended to read:

*Subd. 2. (a) In a year in which an election is held for an office sought by a candidate, no expenditures shall be made by the principal campaign committee of that candidate, nor any approved expenditures made on behalf of that candidate which expenditures and approved expenditures result in an aggregate amount in excess of the following:*

- (a) (1) For governor and lieutenant governor, running together, \$1,626,691;
- (b) (2) For attorney general, \$271,116;
- (c) (3) For secretary of state, state treasurer, and state auditor, separately, \$135,559;
- (d) (4) For state senator, \$40,669;
- (e) (5) For state representative, \$20,335.

(b) *If a special election cycle occurs during a general election cycle, expenditures by or on behalf of a candidate in the special election do not count as expenditures by or on behalf of the candidate in the general election.*

(c) *The expenditure limits in this subdivision for an office are increased by ten percent for a candidate who is running for that office for the first time and who has not run previously for any other office whose territory now includes a population that is more than one-third of the population in the territory of the new office.*

Sec. 21. Minnesota Statutes 1992, section 10A.25, subdivision 6, is amended to read:

Subd. 6. In any year ~~following~~ *before* an election year for the office held or sought, the aggregate amount of expenditures by and approved expenditures on behalf of a candidate for or holder of that office shall not exceed ~~one fourth~~ *20 percent* of the expenditure limit set forth in subdivision 2.

Sec. 22. Minnesota Statutes 1992, section 10A.25, subdivision 10, is amended to read:

Subd. 10. [EFFECT OF OPPONENT'S AGREEMENT.] (a) The expenditure limits imposed by this section apply only to candidates whose major political party opponents agree to be bound by the limits and who themselves agree to be bound by the limits as a condition of receiving a public subsidy for their campaigns ~~in the form of an allocation of money from the state elections campaign fund.~~

(b) A candidate of a ~~major political party~~ who agrees to be bound by the limits and receives a public subsidy, who has an opponent who: (1) is a candidate of a major political party; and (2) does not agree to be bound by the limits but is otherwise eligible to receive a public subsidy:

(i) is no longer bound by the limits, including those in section 10A.324, subdivision 1, paragraph (c); ~~and~~

(ii) is eligible to receive a public subsidy; *and*

(iii) *also receives, or shares equally with any other candidate who agrees to be bound by limits, the opponent's share of the general account public subsidy under section 10A.31.*

For purposes of this subdivision, "otherwise eligible to receive a public subsidy" means that a candidate meets the requirements of sections 10A.31, 10A.315, 10A.321, and 10A.322, but does not mean that the candidate has filed an affidavit of matching funds under section 10A.323.

Sec. 23. Minnesota Statutes 1992, section 10A.25, is amended by adding a subdivision to read:

*Subd. 11. [CARRYFORWARD; DISPOSITION OF OTHER FUNDS.] After all campaign expenditures and noncampaign disbursements for an election cycle have been made, an amount up to 50 percent of the expenditure limit for the office may be carried forward. Any remaining amount up to the total amount of the public subsidy from the state elections campaign fund and any public matching subsidy must be returned to the state treasury for credit to the general fund under section 10A.324. Any remaining amount in excess of the total public subsidy must be contributed to the state elections campaign fund or a political party for multicandidate expenditures as defined in section 10A.275.*

Sec. 24. Minnesota Statutes 1992, section 10A.25, is amended by adding a subdivision to read:

*Subd. 12. [UNUSED POSTAGE AND CREDIT BALANCES CARRIED FORWARD.] Postage that is purchased but not used during an election cycle and credit balances at vendors that exceed a combined total of \$500 must be carried forward and counted as expenditures during the election cycle during which they are used.*

Sec. 25. Minnesota Statutes 1992, section 10A.27, subdivision 1, is amended to read:

Subdivision 1. [CONTRIBUTION LIMITS.] Except as provided in subdivisions 2 and 6, no candidate shall permit the candidate's principal campaign committee to accept aggregate contributions ~~from made or delivered~~ by any individual, political committee, or political fund in excess of the following:

(a) To candidates for governor and lieutenant governor running together, ~~\$20,000~~ \$2,000 in an election year for the office sought and ~~\$3,000~~ \$500 in other years;

(b) To a candidate for attorney general, ~~\$10,000~~ \$1,000 in an election year for the office sought and ~~\$2,000~~ \$200 in other years;

(c) To a candidate for the office of secretary of state, state treasurer or state auditor, ~~\$5,000~~ \$500 in an election year for the office sought and ~~\$1,000~~ \$100 in other years;

(d) To a candidate for state senator, ~~\$1,500~~ \$500 in an election year for the office sought and ~~one-third of that amount~~ \$100 in other years; and

(e) To a candidate for state representative, ~~\$750~~ \$500 in an election year for the office sought and ~~one-third of that amount~~ \$100 in the other year.

*The following deliveries are not subject to the bundling limitation in this subdivision:*

(1) *delivery of contributions collected by a member of the candidate's principal campaign committee, such as a block worker or a volunteer who hosts a fund raising event, to the committee's treasurer; and*

(2) *a delivery made by an individual on behalf of the individual's spouse.*

Sec. 26. Minnesota Statutes 1992, section 10A.27, subdivision 2, is amended to read:

Subd. 2. No candidate shall permit the candidate's principal campaign committee to accept contributions from any political party *units in aggregate*

in excess of five ten times the amount that may be contributed to that candidate by a political committee as set forth in subdivision 1.

Sec. 27. Minnesota Statutes 1992, section 10A.27, subdivision 9, is amended to read:

Subd. 9. (a) A candidate or the treasurer of a candidate's principal campaign committee shall not accept in any calendar year aggregate contributions in an amount greater than the maximum amount allowed under subdivision 1 a transfer or contribution from another candidate's principal campaign committee or from any other committee bearing the contributing candidate's name or title or otherwise authorized by the contributing candidate, unless the contributing candidate's principal campaign committee is being dissolved. A candidate's principal campaign committee shall not make a transfer or contribution to another candidate's principal campaign committee, except when the contributing committee is being dissolved.

(b) A candidate's principal campaign committee shall not accept a transfer or contribution from, or make a transfer or contribution to, a committee associated with a person who seeks nomination or election to the office of President, Senator, or Representative in Congress of the United States.

(c) A candidate or the treasurer of a candidate's principal campaign committee shall not accept a contribution from a candidate for political subdivision office, unless the contribution is from the personal funds of the candidate for political subdivision office. A candidate or the treasurer of a candidate's principal campaign committee shall not make a contribution from the principal campaign committee to a candidate for political subdivision office.

Sec. 28. Minnesota Statutes 1992, section 10A.27, is amended by adding a subdivision to read:

Subd. 10. [PROHIBITED CONTRIBUTIONS.] A candidate who accepts a public subsidy may not contribute to the candidate's own campaign more than ten times the candidate's election year contribution limit under subdivision 1.

Sec. 29. Minnesota Statutes 1992, section 10A.27, is amended by adding a subdivision to read:

Subd. 11. [CONTRIBUTIONS FROM CERTAIN TYPES OF CONTRIBUTORS.] A candidate shall not permit the candidate's principal campaign committee to accept a contribution from a political committee other than a political party unit as defined in section 10A.275, a political fund, a lobbyist, or an individual, other than the candidate, who contributes more than half the amount an individual may contribute, if the contribution will cause the aggregate contributions from those types of contributors to exceed an amount equal to 20 percent of the expenditure limits for the office sought by the candidate.

Sec. 30. Minnesota Statutes 1992, section 10A.27, is amended by adding a subdivision to read:

Subd. 12. [CONTRIBUTIONS TO OTHER POLITICAL COMMITTEES OR FUNDS.] The treasurer of a political committee or political fund, other than a candidate's principal campaign committee or a political party unit as defined in section 10A.275, shall not permit the political committee or

*political fund to accept aggregate contributions from an individual, political committee, or political fund in an amount more than \$100 a year.*

Sec. 31. Minnesota Statutes 1992, section 10A.28, subdivision 2, is amended to read:

Subd. 2. A candidate who permits the candidate's principal campaign committee to accept contributions in excess of the limits imposed by section 10A.27; *and the treasurer of a political fund or political committee, other than a principal campaign committee, who permits the committee or fund to accept contributions in excess of the limits imposed by section 10A.27,* shall be subject to a civil fine of up to four times the amount by which the contribution exceeded the limits.

Sec. 32. Minnesota Statutes 1992, section 10A.31, subdivision 6, is amended to read:

Subd. 6. ~~Within two weeks~~ *As soon as the board has obtained from the secretary of state the results of the primary election, but in any event no later than one week after certification by the state canvassing board of the results of the primary, the state treasurer board shall distribute the available funds in each party account, as certified by the commissioner of revenue on September 15, to the candidates of that party who have signed the agreement as provided in section 10A.322 and filed the affidavit required by section 10A.323, and whose names are to appear on the ballot in the general election, according to the allocations set forth in subdivision 5. If a candidate files the affidavit required by section 10A.323 after September 1 of the general election year, the board shall pay the candidate's allocation to the candidate at the next regular payment date for public subsidies for that election cycle that occurs at least 15 days after the candidate files the affidavit.*

Sec. 33. Minnesota Statutes 1992, section 10A.31, subdivision 7, is amended to read:

Subd. 7. Within two weeks after certification by the state canvassing board of the results of the general election, the ~~state treasurer board~~ shall distribute the available funds in the general account, as certified by the commissioner of revenue on November 15 and according to allocations set forth in subdivision 5, in equal amounts to all candidates for each statewide office who received at least five percent of the votes cast in the general election for that office, and to all candidates for legislative office who received at least ten percent of the votes cast in the general election for the specific office for which they were candidates. The board shall not use the information contained in the report of the principal campaign committee of any candidate due ten days before the general election for the purpose of reducing the amount due that candidate from the general account.

Sec. 34. Minnesota Statutes 1992, section 10A.31, subdivision 10, is amended to read:

Subd. 10. [DISTRIBUTION.] In the event that on the date of either certification by the commissioner of revenue as provided in subdivisions 6 and 7, less than 98 percent of the tax returns have been processed, the commissioner of revenue shall certify to the board ~~on or by December 7~~ *the amount accumulated in each account since the previous certification. Within one week thereafter By December 15,* the board shall ~~certify to the state treasurer the amount to be distributed~~ *distribute* to each candidate according

to the allocations as provided in subdivision 5. As soon as practicable thereafter, the state treasurer shall distribute the amounts to which the candidates are entitled in the form of checks made "payable to the campaign fund of .....(name of candidate)....." Any money accumulated after the final certification shall be maintained in the respective accounts for distribution in the next general election year.

Sec. 35. Minnesota Statutes 1992, section 10A.31, is amended by adding a subdivision to read:

*Subd. 12. [UNOPPOSED CANDIDATE NOT ELIGIBLE.] A candidate who is unopposed in both the primary election and the general election is not eligible to receive a public subsidy from the state election campaign fund. The subsidy from the party account the candidate would otherwise have been eligible to receive must be paid to the candidate's political party to be deposited in a special account under section 10A.31, subdivision 5, clause (6) and used for only those items permitted under section 10A.275.*

Sec. 36. [10A.312] [PUBLIC MATCHING SUBSIDY.]

*Subdivision 1. [ELIGIBILITY.] (a) In addition to the subsidy payable from the state elections campaign fund, the board shall pay a public matching subsidy to a candidate who:*

*(1) is seeking an office for which voluntary spending limits are specified in section 10A.25;*

*(2) has designated a principal campaign committee;*

*(3) has signed and filed with the board an agreement to limit campaign expenditures as provided in section 10A.322 and is abiding by the agreement;*

*(4) has received contributions that exceed the threshold established by section 10A.323;*

*(5) has been nominated to appear on the ballot in the general election; and*

*(6) has submitted to the board the affidavits required by section 10A.323.*

*(b) A candidate who is unopposed in both the primary election and the general election is not eligible to receive a public matching subsidy under this section.*

*Subd. 2. [AMOUNT.] The subsidy must be paid in an amount that will match the first \$50 of contributions received from a person eligible to vote in this state, up to a total of 35 percent of the expenditure limits for state senator or representative and up to a total of 25 percent of the expenditure limits for constitutional officers set forth in section 10A.25, subdivision 2, as adjusted for inflation under section 10A.255, except as otherwise provided in this subdivision. The public subsidy under this section may not be paid in an amount that would cause the sum of the public subsidy paid under this section plus the public subsidy paid under section 10A.31 to exceed 50 percent of the expenditure limit for the office.*

*If a candidate's share of the state election campaign fund is equal to or greater than 50 percent of the spending limit for the office sought by the candidate, the candidate may not apply for a subsidy under this section. The board must determine the candidate's anticipated share of the state election campaign fund based on the certification by the commissioner of revenue*

*under section 10A.321. If the subsequent certification by the commissioner of revenue under section 10A.31, subdivision 7, indicates that the candidate's share of the state election campaign fund is less than 50 percent of the spending limit for the office sought, the candidate may apply for the public match subsidy by submitting an affidavit by December 1.*

*Subd. 3. [PAYMENT DATES.] (a) The board shall make the first payment of the public matching subsidy as soon as the board has obtained from the secretary of state the results of the primary election, but in any event no later than one week after certification by the state canvassing board of the results of the primary. The board shall make the second payment by October 1 of the election year, the third payment by October 15 of the election year, the fourth payment by November 15 of the election year, and the final payment by December 15 of the election year.*

*(b) The amount necessary to make the payments required by this section is appropriated from the general fund to the board.*

Sec. 37. Minnesota Statutes 1992, section 10A.315, is amended to read:

**10A.315 [SPECIAL ELECTION SUBSIDY.]**

(a) Each eligible candidate for a legislative office in a special election must be paid a public subsidy equal to the sum of:

(1) the party account money at the last general election for the candidate's party for the office the candidate is seeking; and

(2) the general account money paid to candidates for the same office at the last general election.

*(b) If the filing period for the special election coincides with the filing period for the general election, the candidate must meet the matching requirements of section 10A.323 and the special election subsidy must be distributed in the same manner as money is distributed to legislative candidates in a general election.*

*(c) If the filing period for the special election does not coincide with the filing period for the general election, the procedures in this paragraph apply. A candidate who wishes to receive this public subsidy must submit a signed agreement under section 10A.322 to the board not later than the day after the candidate files the affidavit of candidacy or nominating petition for the office. To receive a subsidy, The candidate must meet the matching requirements of section 10A.323, except that the dates in that section do not apply to a special election in which the filing period does not coincide with the filing period for the general election. To the extent feasible, The special election subsidy must be distributed in the same manner as money in the party and general accounts is distributed to legislative candidates in a general election.*

*(e) (d) The amount necessary to make the payments required by this subdivision is appropriated from the general fund to the state treasurer.*

Sec. 38. Minnesota Statutes 1992, section 10A.322, subdivision 1, is amended to read:

**Subdivision 1. [AGREEMENT BY CANDIDATE.]** (a) As a condition of receiving a public subsidy from the state elections campaign fund, a candidate shall sign and file with the board a written agreement in which the candidate agrees that the candidate will comply with sections 10A.25 and 10A.324.

(b) Before the first day of filing for office, the board shall forward agreement forms to all filing officers. The board shall also provide agreement forms to candidates on request at any time. The candidate may sign an agreement and submit it to the filing officer on the day of filing an affidavit of candidacy or petition to appear on the ballot, in which case the filing officer shall without delay forward signed agreements to the board. Alternatively, the candidate may submit the agreement directly to the board at any time before September 1 preceding the general election. An agreement may not be signed or ~~rescinded~~ filed after that date. *An agreement once filed may not be rescinded.*

(c) The board shall forward a copy of any agreement signed under this subdivision to the commissioner of revenue.

(d) Notwithstanding any provisions of this section, when a vacancy occurs that will be filled by means of a special election and the filing period does not coincide with the filing period for the general election, a candidate may sign and submit a spending limit agreement at any time before the deadline for submission of a signed agreement under section 10A.315.

Sec. 39. Minnesota Statutes 1992, section 10A.322, subdivision 2, is amended to read:

Subd. 2. [HOW LONG AGREEMENT IS EFFECTIVE.] The agreement, insofar as it relates to the expenditure limits in section 10A.25, as adjusted by section 10A.255, remains effective for candidates until the dissolution of the principal campaign committee of the candidate or ~~the day filings open for the next succeeding election to the office held or sought at the time of the agreement end of the first election cycle completed after the agreement was filed, whichever occurs first.~~

Sec. 40. Minnesota Statutes 1992, section 10A.323, is amended to read:

#### 10A.323 [MATCHING REQUIREMENTS.]

In addition to the requirements of section 10A.322, to be eligible to receive a public subsidy ~~from the state elections campaign fund under section 10A.31 or 10A.312 a candidate or the candidate's treasurer shall file an affidavit with the board stating that during that calendar year the candidate has accumulated contributions; including unexpended balances from the year before, equal to 20 percent or more of the minimum amount that the board estimates, on August 15 of the general election year, would be received by the candidate from the state elections campaign fund; from persons eligible to vote in this state in the amount indicated for the office sought, counting only the first \$50 received from each contributor:~~

(1) candidates for governor and lieutenant governor running together, \$35,000;

(2) candidates for attorney general, \$15,000;

(3) candidates for secretary of state, state treasurer, and state auditor, separately, \$6,000;

(4) candidates for the senate, \$3,000; and

(5) candidates for the house of representatives, \$1,500.

*To be eligible to receive a public matching subsidy under section 10A.312, the affidavit must state the total amount of contributions that have been received from persons eligible to vote in this state and the total amount of those contributions received, disregarding the portion of any contribution in excess of \$50.*

The candidate or the candidate's treasurer shall submit the affidavit required by this ~~subdivision~~ section to the board in writing by ~~October~~ September 1 of the general election year to receive the payment based on the results of the primary election, by September 15 to receive the payment made October 1, by October 1 to receive the payment made October 15, by November 1 to receive the payment made November 15, and by December 1 to receive the payment made December 15.

Sec. 41. Minnesota Statutes 1992, section 10A.324, subdivision 1, is amended to read:

Subdivision 1. [WHEN RETURN REQUIRED.] A candidate shall return all or a portion of the public subsidy received from the state elections campaign fund *or the public matching subsidy received under section 10A.315, under the circumstances in paragraph (a), (b), this section or (c) section 10A.25, subdivision 11.*

(a) To the extent that the amount of public subsidy received by the candidate exceeds the expenditure limits for the office held or sought, as provided in section 10A.25 and as adjusted by section 10A.255, the treasurer of the candidate's principal campaign committee shall return the excess to the board.

(b) To the extent that the amount of public subsidy received exceeds the aggregate of: (1) actual expenditures made by the principal campaign committee of the candidate; and (2) approved expenditures made on behalf of the candidate, the treasurer of the candidate's principal campaign committee shall return an amount equal to the difference to the board.

(c) ~~Except for an amount equal to 25 percent of the expenditure limits set forth in section 10A.25, but not exceeding \$15,000, any amount by which the aggregate contributions and approved expenditures agreed to exceed the difference between: (1) the amount which legally may be expended by or for the candidate; and (2) the amount the candidate receives from the state elections campaign fund must be returned to the state treasurer, deposited in the state treasury, and credited to the general fund.~~

Sec. 42. Minnesota Statutes 1992, section 10A.324, subdivision 3, is amended to read:

Subd. 3. [HOW RETURN DETERMINED.] Whether or not a candidate is required under subdivision 1 to return all or a portion of the public subsidy ~~received from the state elections campaign fund~~ must be determined from the report required to be filed with the board by that candidate by January 31 of the year following an election. For purposes of this section, a transfer from ~~one a principal campaign committee to another principal campaign committee~~ or to a political party is considered to be a noncampaign disbursement. *The cost of postage that was not used during an election cycle and payments that created credit balances at vendors at the close of an election cycle are not considered expenditures for purposes of determining the amount to be returned.* Any amount required to be returned must be submitted in the form of a check or money order and must accompany the report filed with the

board. The board shall forward the check or money order to the state treasurer for deposit in the general fund. The amount returned must not exceed the amount of public subsidy received by the candidate from the state elections campaign fund.

Sec. 43. Minnesota Statutes 1992, section 10A.324, is amended by adding a subdivision to read:

*Subd. 5. [RETURN OF OPPONENT'S PUBLIC SUBSIDY.] If a candidate received an opponent's public subsidy under section 10A.25, subdivision 10, the candidate shall return all or a portion of the opponent's public subsidy if required under subdivision 1. In addition, the candidate shall return all of the opponent's public subsidy to the board if the opponent is not required to file a campaign spending report under section 10A.20 or if the opponent's postelection report due on January 31 indicates that the opponent raised and spent \$1,000 or less during the campaign.*

Sec. 44. Minnesota Statutes 1992, section 204B.36, subdivision 4, is amended to read:

*Subd. 4. [JUDICIAL CANDIDATES.] The official ballot shall contain the names of all candidates for each judicial office and shall state the number of those candidates for whom a voter may vote. Each seat for an associate justice, associate judge, or judge of the district court must be numbered. The title of each judicial office shall be printed on the official primary and general election ballot as follows:*

*(a) In the case of the supreme court:*

*"Chief justice (or associate justice) - supreme court (last name of incumbent) seat";*

*"Associate justice (number) - supreme court"*

*(b) In the case of the court of appeals:*

*"Judge (number) - court of appeals (last name of incumbent) seat"; or*

*(c) In the case of the district court:*

*"Judge (number) - (number) district court (last name of incumbent) seat";*

*or*

*(d) In the case of the county court:*

*"Judge - (number) county court (last name of incumbent) seat."*

Sec. 45. [211A.12] [CONTRIBUTION LIMITS.]

*A candidate may not accept aggregate contributions made or delivered by an individual or committee in excess of \$300 in an election year for the office sought and \$100 in other years; except that a candidate for an office whose territory has a population over 100,000 may not accept aggregate contributions made or delivered by an individual or committee in excess of \$500 in an election year for the office sought and \$100 in other years.*

Sec. 46. [211A.13] [PROHIBITED TRANSFERS.]

*A candidate for political subdivision office must not accept contributions from the principal campaign committee of a candidate as defined in section 10A.01, subdivision 5. A candidate for political subdivision office must not*

*make contributions to a principal campaign committee, unless the contribution is made from the personal funds of the candidate for political subdivision office.*

Sec. 47. Minnesota Statutes 1992, section 211B.12, is amended to read:

211B.12 [LEGAL EXPENDITURES.]

Use of ~~funds~~ money collected for political purposes is prohibited unless the use is reasonably related to the conduct of election campaigns, *or is a noncampaign disbursement as defined in section 10A.01, subdivision 10c.* The following are permitted expenditures when made for political purposes:

- (1) salaries, wages, and fees;
- (2) communications, mailing, transportation, and travel;
- (3) campaign advertising;
- (4) printing;
- (5) office and other space and necessary equipment, furnishings, and incidental supplies;
- (6) charitable contributions of not more than ~~\$100~~ \$50 to any charity annually; and

(7) other expenses, not included in clauses (1) to (6), that are reasonably related to the conduct of election campaigns. In addition, expenditures made for the purpose of providing information to constituents, whether or not related to the conduct of an election, are permitted expenses. *Money collected for political purposes and assets of a political committee or political fund may not be converted to personal use.*

Sec. 48. Minnesota Statutes 1992, section 211B.15, is amended to read:

211B.15 [~~CORPORATE OR LIMITED LIABILITY~~ POLITICAL CONTRIBUTIONS.]

Subdivision 1. [DEFINITIONS.] ~~(a) For purposes of this section, the following terms have the meanings given them.~~

(b) "corporation" means:

(1) a corporation organized for profit that does business in ~~Minnesota~~ *this state*;

(2) *a nonprofit corporation that carries out activities in this state; or*

(c) ~~"limited liability company"~~ means (3) a limited liability company formed under chapter 322B, or under similar laws of another state, that does business in ~~Minnesota~~ *this state*.

Subd. 2. [PROHIBITED CONTRIBUTIONS.] A corporation ~~or limited liability company~~ may not make a contribution or offer or agree to make a contribution, directly or indirectly, of any money, property, free service of its officers, ~~or employees, or members,~~ or thing of monetary value to a major political party, organization, committee, or individual to promote or defeat the candidacy of an individual for nomination, election, or appointment to a political office. For the purpose of this subdivision, "contribution" includes an expenditure to promote or defeat the election or nomination of a candidate

to a political office that is made with the authorization or expressed or implied consent of, or in cooperation or in concert with, or at the request or suggestion of, a candidate or committee established to support or oppose a candidate.

Subd. 3. [INDEPENDENT EXPENDITURES.] A corporation or ~~limited liability company~~ may not make an independent expenditure or offer or agree to make an independent expenditure to promote or defeat the candidacy of an individual for nomination, election, or appointment to a political office. For the purpose of this subdivision, "independent expenditure" means an expenditure that is not made with the authorization or expressed or implied consent of, or in cooperation or concert with, or at the request or suggestion of, a candidate or committee established to support or oppose a candidate.

Subd. 4. [BALLOT QUESTION.] A corporation or ~~limited liability company~~ may make contributions or expenditures to promote or defeat a ballot question, to qualify a question for placement on the ballot unless otherwise prohibited by law, or to express its views on issues of public concern. A corporation or ~~limited liability company~~ may not make a contribution to a candidate for nomination, election, or appointment to a political office or to a committee organized wholly or partly to promote or defeat a candidate.

Subd. 5. [NEWS MEDIA.] This section does not prohibit publication or broadcasting of news items or editorial comments by the news media.

Subd. 6. [PENALTY FOR INDIVIDUALS.] An officer, manager, stockholder, member, agent, employee, attorney, or other representative of a corporation or ~~limited liability company~~ acting in behalf of the corporation or ~~limited liability company~~ who violates this section may be fined not more than \$20,000 or be imprisoned for not more than five years, or both.

Subd. 7. [PENALTY FOR CORPORATIONS OR LIMITED LIABILITY COMPANIES.] A corporation or ~~limited liability company~~ convicted of violating this section is subject to a fine not greater than \$40,000. A convicted domestic corporation or ~~limited liability company~~ may be dissolved as well as fined. If a foreign or nonresident corporation or ~~limited liability company~~ is convicted, in addition to being fined, its right to do business in this state may be declared forfeited.

Subd. 8. [PERMITTED ACTIVITY; POLITICAL PARTY.] It is not a violation of this section for a political party, as defined in section 200.02, subdivision 7, to form a nonprofit corporation for the sole purpose of holding real property to be used exclusively as the party's headquarters.

Subd. 9. [MEDIA PROJECTS.] It is not a violation of this section for a corporation or ~~limited liability company~~ to contribute to or conduct public media projects to encourage individuals to attend precinct caucuses, register, or vote if the projects are not controlled by or operated for the advantage of a candidate, political party, or committee.

Subd. 10. [MEETING FACILITIES.] It is not a violation of this section for a corporation or ~~limited liability company~~ to provide meeting facilities to a committee, political party, or candidate on a nondiscriminatory and nonpreferential basis.

Subd. 11. [MESSAGES ON PREMISES.] It is not a violation of this section for a corporation or ~~limited liability company~~ selling products or services to the public to post on its public premises messages that promote

participation in precinct caucuses, voter registration, or elections if the messages are not controlled by or operated for the advantage of a candidate, political party, or committee.

Subd. 12. [REPORTS REQUIRED.] The total amount of an expenditure or contribution for any one project permitted by subdivisions 9 and 11 that is more than \$200, together with the date, purpose, and the names and addresses of the persons receiving the contribution or expenditures, must be reported to the secretary of state. The reports must be filed on forms provided by the secretary of state on the dates required for committees under section 211A.02. Failure to file is a misdemeanor.

Subd. 13. [AIDING VIOLATION; PENALTY.] An individual who aids, abets, or advises a violation of this section is guilty of a gross misdemeanor.

Subd. 14. [PROSECUTIONS; VENUE.] Violations of this section may be prosecuted in the county where the payment or contribution was made, where services were rendered, or where money was paid or distributed.

Subd. 15. [NONPROFIT CORPORATION EXEMPTION.] *The prohibitions in this section do not apply to a nonprofit corporation that:*

*(1) cannot engage in business activities;*

*(2) has no shareholders or other persons affiliated so as to have a claim on its assets or earnings; and*

*(3) was not established by a business corporation or a labor union and has a policy not to accept significant contributions from those entities.*

Subd. 16. [EMPLOYEE POLITICAL FUND SOLICITATION.] *Any solicitation of political contributions by an employee must be in writing, informational and nonpartisan in nature, and not promotional for any particular candidate or group of candidates. The solicitation must consist only of a general request on behalf of an independent political committee (conduit fund) and must state that there is no minimum contribution, that a contribution or lack thereof will in no way impact the employee's employment, that the employee must direct the contribution to candidates of the employee's choice, and that any response by the employee shall remain confidential and shall not be directed to the employee's supervisors or managers. Questions from an employee regarding a solicitation may be answered orally or in writing consistent with the above requirements. Nothing in this subdivision authorizes a corporate donation of an employee's time prohibited under subdivision 2.*

Sec. 49. Minnesota Statutes 1992, section 290.06, subdivision 23, is amended to read:

Subd. 23. [REFUND OF CONTRIBUTIONS TO POLITICAL PARTIES AND CANDIDATES.] (a) A taxpayer may claim a refund equal to the amount of the taxpayer's contributions made in the calendar year to candidates and to any political party. The maximum refund for an individual must not exceed \$50 and, for a married couple filing jointly, must not exceed \$100. A refund of a contribution is allowed only if the taxpayer files a form required by the commissioner and attaches to the form a copy of an official refund receipt form issued by the candidate or party and signed by the candidate, the treasurer of the candidate's principal campaign committee, or the party chair, *after the contribution was received. The receipt forms must be numbered, and*

*the data on the receipt that are not public must be made available to the ethical practices board upon its request. A claim must be filed with the commissioner not sooner than January 1 of the calendar year in which the contribution is made and no later than April 15 of the calendar year following the calendar year in which the contribution is made. A taxpayer may file only one claim per calendar year. Amounts paid by the commissioner after June 15 of the calendar year following the calendar year in which the contribution is made must include interest at the rate specified in section 270.76.*

(b) No refund is allowed under this subdivision for a contribution to any candidate unless the candidate:

(1) has signed an agreement to limit campaign expenditures as provided in section 10A.322 or 10A.43;

(2) is seeking an office for which voluntary spending limits are specified in section 10A.25 or 10A.43; and

(3) has designated a principal campaign committee.

This subdivision does not limit the campaign expenditure of a candidate who does not sign an agreement but accepts a contribution for which the contributor improperly claims a refund.

(c) For purposes of this subdivision, "political party" means a major political party as defined in section 200.02, subdivision 7, or a minor political party qualifying for inclusion on the income tax or property tax refund form under section 10A.31, subdivision 3a.

A "major or minor party" includes the aggregate of the party organization within each house of the legislature, the state party organization, and the party organization within congressional districts, counties, legislative districts, municipalities, and precincts.

"Candidate" means a congressional candidate as defined in section 10A.41, subdivision 4, or a candidate as defined in section 10A.01, subdivision 5, except a candidate for judicial office.

"Contribution" means a gift of money.

(d) The commissioner shall make copies of the form available to the public and candidates upon request.

(e) The following data collected or maintained by the commissioner under this subdivision are private: the identities of individuals claiming a refund, the identities of candidates to whom those individuals have made contributions, and the amount of each contribution.

*(f) The commissioner shall report to the ethical practices board by August 1 of each year a summary showing the total number and aggregate amount of political contribution refunds made on behalf of each candidate and each political party. These data are public.*

(f) (g) The amount necessary to pay claims for the refund provided in this section is appropriated from the general fund to the commissioner of revenue.

Sec. 50. [REPEALER.]

*Minnesota Statutes 1992, sections 10A.27, subdivision 6; 10A.31, subdi-*

visions 8 and 9; 488A.021, subdivision 3; and 488A.19, subdivision 2, are repealed.

Sec. 51. [TRANSITION.]

*Subdivision 1. [ELECTION CYCLE.] Notwithstanding section 1, the first election cycle begins the day following final enactment of this act and concludes on December 31 following the next general election for the respective offices listed in Minnesota Statutes, section 10A.27, subdivision 1, clauses (a) to (e).*

*Subd. 2. [CONTRIBUTION LIMITS.] Contributions to a candidate that were made before the effective date of this act and were lawful when made need not be refunded, even though they exceed the new limit on contributions in section 10A.27, subdivision 1.*

*Subd. 3. [EXPENDITURE LIMITS.] All spending limit agreements filed with the ethical practices board before the effective date of this act become void September 1, 1993, and all eligibility for continued public subsidies under Minnesota Statutes, chapter 10A or 290, is ended on that date. The new expenditure limits and eligibility for a public subsidy under this act apply to candidates who sign and file with the ethical practices board a new spending limit agreement under this act after its effective date.*

*Subd. 4. [INFLATION FREEZE.] The expenditure limits in Minnesota Statutes 1992, section 10A.25, subdivision 2, must not be adjusted for inflation for the 1994 election year. The inflation adjustment under Minnesota Statutes 1992, section 10A.255, must resume for the 1996 election year, but omitting any inflation attributable to the period between December 1991 and December 1993.*

Sec. 52. [EFFECTIVE DATE.]

*This act is effective the day following final enactment, except that section 19 is effective December 31, 1993, section 27 is effective June 1, 1993, and sections 45 and 46 are effective January 1, 1994."*

Delete the title and insert:

*"A bill for an act relating to campaign reform; limiting noncampaign disbursements to items specified by law; requiring lobbyists and political committees and funds to include their registration number on contributions; prohibiting certain "friends of" committees; requiring reports by certain solicitors of campaign contributions; limiting certain contributions; changing the judicial ballot; regulating related committees; changing expenditure limits; limiting use of contributions carried forward; requiring unused postage to be carried forward as an expenditure; requiring certain notices; changing contribution limits; limiting contributions by political parties; prohibiting transfers from one candidate to another, with certain exceptions; limiting contributions by certain political committees, funds, and individuals; eliminating public subsidies to unopposed candidates; providing for a public matching subsidy; clarifying filing requirements for candidate agreements and the duration of the agreements; providing for distribution of public subsidies; requiring return of public subsidies under certain conditions; prohibiting political contributions by certain nonprofit corporations and partnerships; requiring certain reports; providing transition language; defining certain terms; clarifying certain language; imposing penalties; appropriating money; amending Minnesota Statutes 1992, sections 10A.01, subdivisions 10b, 10c,*

and by adding subdivisions; 10A.04, by adding a subdivision; 10A.065, subdivisions 1 and 5; 10A.14, subdivision 2; 10A.15, by adding subdivisions; 10A.16; 10A.17, subdivisions 4 and 5; 10A.19, subdivision 1; 10A.20, subdivisions 2, 3, and by adding subdivisions; 10A.24, subdivision 1; 10A.25, subdivisions 2, 6, 10, and by adding subdivisions; 10A.27, subdivisions 1, 2, 9, and by adding subdivisions; 10A.28, subdivision 2; 10A.31, subdivisions 6, 7, 10, and by adding a subdivision; 10A.315; 10A.322, subdivisions 1 and 2; 10A.323; 10A.324, subdivisions 1, 3, and by adding a subdivision; 204B.36, subdivision 4; 211B.12; 211B.15; and 290.06, subdivision 23; proposing coding for new law in Minnesota Statutes, chapters 10A; and 211A; repealing Minnesota Statutes 1992, sections 10A.27, subdivision 6; 10A.31, subdivisions 8 and 9; 488A.021, subdivision 3; and 488A.19, subdivision 2."

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

House Conferees: (Signed) Wally Sparby, Harold Lasley, Don Ostrom, Dee Long

Senate Conferees: (Signed) John Marty, William P. Luther, Kevin M. Chandler, Ember D. Reichgott

Mr. Marty moved that the foregoing recommendations and Conference Committee Report on H.F. No. 163 be now adopted, and that the bill be repassed as amended by the Conference Committee.

Mr. Johnson, D.J. moved that the recommendations and Conference Committee Report on H.F. No. 163 be rejected, the Conference Committee discharged, and that a new Conference Committee be appointed by the Subcommittee on Committees to act with a like Conference Committee appointed on the part of the House.

### CALL OF THE SENATE

Mr. Laidig imposed a call of the Senate for the balance of the proceedings on H.F. No. 163. The Sergeant at Arms was instructed to bring in the absent members.

The question was taken on the adoption of the motion of Mr. Johnson, D.J.

The roll was called, and there were yeas 29 and nays 37, as follows:

Those who voted in the affirmative were:

Belanger	Day	Kiscaden	Morse	Runbeck
Benson, D.D.	Dille	Knutson	Neuville	Samuelson
Benson, J.E.	Frederickson	Laidig	Oliver	Stevens
Berg	Johnson, D.E.	Larson	Olson	Terwilliger
Chmielewski	Johnson, D.J.	Lesewski	Pariseau	Vickerman
Cohen	Johnston	McGowan	Robertson	

Those who voted in the negative were:

Adkins	Flynn	Lessard	Novak	Sams
Anderson	Hanson	Luther	Pappas	Solon
Beckman	Hottinger	Marty	Piper	Spear
Berglin	Johnson, J.B.	Merriam	Pogemiller	Stumpf
Bertram	Kelly	Metzen	Price	Wiener
Betzold	Krentz	Moe, R.D.	Ranum	
Chandler	Kroening	Mondale	Reichgott	
Finn	Langseth	Murphy	Riveness	

The motion did not prevail.

The question recurred on the motion of Mr. Marty. The motion prevailed. So the recommendation and Conference Committee Report were adopted.

H.F. No. 163 was read the third time, as amended by the Conference Committee, and placed on its repassage.

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

The roll was called, and there were yeas 48 and nays 19, as follows:

Those who voted in the affirmative were:

Adkins	Day	Kelly	Mondale	Riveness
Anderson	Dille	Krentz	Morse	Sams
Beckman	Finn	Kroening	Murphy	Samuelson
Berg	Flynn	Langseth	Novak	Solon
Berglin	Hanson	Lessard	Pappas	Spear
Bertram	Hottinger	Luther	Piper	Stumpf
Betzold	Janezich	Marty	Pogemiller	Vickerman
Chandler	Johnson, D.J.	Merriam	Price	Wicner
Chmielewski	Johnson, J.B.	Metzen	Ranum	
Cohen	Johnston	Moe, R.D.	Reichgott	

Those who voted in the negative were:

Belanger	Johnson, D.E.	Larson	Oliver	Runbeck
Benson, D.D.	Kiscaden	Lesewski	Olson	Stevens
Benson, J.E.	Knutson	McGowan	Pariseau	Terwilliger
Frederickson	Laidig	Neuville	Robertson	

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

## MOTIONS AND RESOLUTIONS - CONTINUED

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 1245 a Special Order to be heard immediately.

### SPECIAL ORDER

H.F. No. 1245: A bill for an act relating to data practices; providing for the collection, classification, and dissemination of data; proposing classifications of data as not public; classifying certain licensing data, educational data, security service data, motor carrier operating data, retirement data and other forms of data; amending Minnesota Statutes 1992, sections 13.32, subdivisions 1, 3, and 6; 13.41, subdivision 4; 13.43, subdivision 2; 13.46, subdivisions 1, 2, and 4; 13.643; 13.692; 13.72, by adding a subdivision; 13.792; 13.82, subdivisions 4, 6, and 10; 13.99, subdivision 24, and by adding subdivisions; 115A.93, by adding a subdivision; 144.335, subdivision 3a, and by adding a subdivision; 151.06, by adding a subdivision; 169.09, subdivisions 7 and 13; 245A.04, subdivisions 3 and 3a; 260.161, subdivisions 1 and 3; 270B.14, subdivision 1, and by adding a subdivision; 299L.03, by adding a subdivision; and 626.556, subdivisions 11 and 11c; proposing coding for new law in Minnesota Statutes, chapters 6; 13; and 144; repealing Minnesota Statutes 1992, sections 13.644; and 13.82, subdivision 5b.

Ms. Ranum moved to amend H.F. No. 1245, as amended pursuant to Rule 49, adopted by the Senate May 7, 1993, as follows:

(The text of the amended House File is identical to S.F. No. 976.)

Page 15, after line 30, insert:

"Sec. 21. Minnesota Statutes 1992, section 260.161, subdivision 1, is amended to read:

Subdivision 1. [RECORDS REQUIRED TO BE KEPT.] (a) The juvenile court judge shall keep such minutes and in such manner as the court deems necessary and proper. Except as provided in paragraph (b), the court shall keep and maintain records pertaining to delinquent adjudications until the person reaches the age of 23 years and shall release the records on an individual *to another juvenile court that has jurisdiction of the juvenile*, to a requesting adult court for purposes of sentencing, or to an adult court or juvenile court as required by the right of confrontation of either the United States Constitution or the Minnesota Constitution. The juvenile court shall provide, upon the request of any other juvenile court, copies of the records concerning adjudications involving the particular child. The court shall also keep an index in which files pertaining to juvenile matters shall be indexed under the name of the child. After the name of each file shall be shown the file number and, if ordered by the court, the book and page of the register in which the documents pertaining to such file are listed. The court shall also keep a register properly indexed in which shall be listed under the name of the child all documents filed pertaining to the child and in the order filed. The list shall show the name of the document and the date of filing thereof. The juvenile court legal records shall be deposited in files and shall include the petition, summons, notice, findings, orders, decrees, judgments, and motions and such other matters as the court deems necessary and proper. ~~The legal~~ *Unless otherwise provided by law, all court records maintained in this file* shall be open at all reasonable times to the inspection of any child to whom the records relate, and to the child's parent and guardian. *A child over the age of 14, the guardian of a child, or either parent of a child, unless one parent has been awarded sole legal custody, may consent to the release of court records concerning the child. If the court is in doubt as to the custody status of a child, it may require the parent giving consent to provide proof of the custody status.*

(b) The court shall retain records of the court finding that a juvenile committed an act that would be a violation of, or an attempt to violate, section 609.342, 609.343, 609.344, or 609.345, until the offender reaches the age of 25. If the offender commits another violation of sections 609.342 to 609.345 as an adult, the court shall retain the juvenile records for as long as the records would have been retained if the offender had been an adult at the time of the juvenile offense. This paragraph does not apply unless the juvenile was represented by an attorney when the petition was admitted or proven.

Sec. 22. Minnesota Statutes 1992, section 260.161, subdivision 3, is amended to read:

Subd. 3. [PEACE OFFICER RECORDS OF CHILDREN.] (a) Except for records relating to an offense where proceedings are public under section 260.155, subdivision 1, peace officers' records of children *who are or may be delinquent or who may be engaged in criminal acts* shall be kept separate from records of persons 18 years of age or older and ~~shall not be open to public inspection or their contents disclosed to the public except~~ *are private data but shall be disseminated*: (1) by order of the juvenile court, (2) as required by section 126.036, (3) as authorized under section 13.82, subdivision 2, (4) to the child or the child's parent or guardian unless disclosure of a record would interfere with an ongoing investigation, or (5) as provided in paragraph (d).

Except as provided in paragraph (c), no photographs of a child taken into custody may be taken without the consent of the juvenile court *unless the child is alleged to have violated section 169.121 or 169.129. Peace officers' records containing data about children who are victims of crimes or witnesses to crimes must be administered consistent with section 13.82, subdivisions 2, 3, 4, and 10.* Any person violating any of the provisions of this subdivision shall be guilty of a misdemeanor. *In the case of computerized records maintained about juveniles by peace officers, the requirement of this subdivision that records about juveniles must be kept separate from adult records does not mean that a law enforcement agency must keep its records concerning juveniles on a separate computer system. Law enforcement agencies may keep juvenile records on the same computer as adult records and may use a common index to access both juvenile and adult records so long as the agency has in place procedures that keep juvenile records in a separate place in computer storage and that comply with the special data retention and other requirements associated with protecting data on juveniles.*

(b) Nothing in this subdivision prohibits the exchange of information by law enforcement agencies if the exchanged information is pertinent and necessary to the requesting agency in initiating, furthering, or completing a criminal investigation.

(c) A photograph may be taken of a child taken into custody pursuant to section 260.165, subdivision 1, clause (b), provided that the photograph must be destroyed when the child reaches the age of 19 years. The commissioner of corrections may photograph juveniles whose legal custody is transferred to the commissioner. Photographs of juveniles authorized by this paragraph may be used only for institution management purposes and to assist law enforcement agencies to apprehend juvenile offenders. The commissioner shall maintain photographs of juveniles ~~in the same manner as juvenile court records and names under this section as private data.~~

(d) Traffic investigation reports are open to inspection by a person who has sustained physical harm or economic loss as a result of the traffic accident. Identifying information on juveniles who are parties to traffic accidents may be disclosed as authorized under section 13.82, subdivision 4, unless the information would identify a juvenile who was taken into custody or who is suspected of committing an offense that would be a crime if committed by an adult, or would associate a juvenile with the offense, and the offense is not a minor traffic offense under section 260.193."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Ms. Ranum then moved to amend H.F. No. 1245, as amended pursuant to Rule 49, adopted by the Senate May 7, 1993, as follows:

(The text of the amended House File is identical to S.F. No. 976.)

Page 19, line 17, after the period, insert *"The chair of the hearing panel may not allow a person to be present at the hearing as a supportive person if the person's presence would adversely affect the impartiality of the process, threaten a witness, or evade the confidentiality of the process. A complainant or supportive person may not be present for purposes other than presenting testimony unless the complainant or supportive person agrees not to disclose*

*private or confidential data discussed at the hearing. The remedies and penalties in sections 13.08 and 13.09 apply to a violation of this agreement by the complainant or supportive person."*

### CALL OF THE SENATE

Ms. Ranum imposed a call of the Senate for the balance of the proceedings on H.F. No. 1245. The Sergeant at Arms was instructed to bring in the absent members.

Without objection, Mr. McGowan was excused from voting on the Ranum amendment.

The question was taken on the adoption of the Ranum amendment.

The roll was called, and there were yeas 17 and nays 46, as follows:

Those who voted in the affirmative were:

Anderson	Finn	Marty	Piper	Wiener
Berglin	Flynn	Merriam	Pogemiller	
Betzold	Johnson, J.B.	Morse	Ranum	
Cohen	Kelly	Pappas	Spear	

Those who voted in the negative were:

Adkins	Dille	Krentz	Neuville	Sams
Beckman	Frederickson	Kroening	Novak	Samuelson
Belanger	Hanson	Laidig	Oliver	Stevens
Benson, D.D.	Hottinger	Langseth	Olson	Stumpf
Benson, J.E.	Janezich	Larson	Pariseau	Terwilliger
Berg	Johnson, D.E.	Lesewski	Price	Vickerman
Bertram	Johnson, D.J.	Lessard	Reichgott	
Chandler	Johnston	Luther	Riveness	
Chmielewski	Kiscaden	Mondale	Robertson	
Day	Knutson	Murphy	Runbeck	

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

Mr. Laidig moved to amend H.F. No. 1245, as amended pursuant to Rule 49, adopted by the Senate May 7, 1993, as follows:

(The text of the amended House File is identical to S.F. No. 976.)

Pages 17 to 19, delete section 25

Re number the sections in sequence and correct the internal references

Amend the title accordingly

Pursuant to Rule 22, Mr. McGowan moved that he be excused from voting on the Laidig amendment. The motion prevailed.

The question was taken on the adoption of the Laidig amendment.

The roll was called, and there were yeas 44 and nays 18, as follows:

Those who voted in the affirmative were:

Adkins	Dille	Knutson	Mondale	Robertson
Beckman	Frederickson	Krentz	Murphy	Runbeck
Belanger	Hanson	Kroening	Neuville	Sams
Benson, D.D.	Hottinger	Laidig	Novak	Samuelson
Benson, J.E.	Janezich	Langseth	Oliver	Stevens
Berg	Johnson, D.E.	Larson	Olson	Stumpf
Bertram	Johnson, D.J.	Lesewski	Pariseau	Terwilliger
Chmielewski	Johnston	Lessard	Reichgott	Vickerman
Day	Kiscaden	Luther	Riveness	

Those who voted in the negative were:

Anderson	Cohen	Marty	Pappas	Spear
Berglin	Finn	Merriam	Piper	Wiener
Betzold	Flynn	Moe, R.D.	Pogemiller	
Chandler	Johnson, J.B.	Morse	Ranum	

The motion prevailed. So the amendment was adopted.

H.F. No. 1245 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Day	Kiscaden	Moe, R.D.	Ranum
Anderson	Dille	Knutson	Mondale	Reichgott
Beckman	Finn	Krentz	Morse	Riveness
Belanger	Flynn	Kroening	Murphy	Robertson
Benson, D.D.	Frederickson	Laidig	Neuville	Runbeck
Benson, J.E.	Hanson	Langseth	Novak	Sams
Berg	Hottinger	Larson	Oliver	Samuelson
Berglin	Janezich	Lesewski	Olson	Spear
Bertram	Johnson, D.E.	Lessard	Pappas	Stevens
Betzold	Johnson, D.J.	Luther	Pariseau	Stumpf
Chandler	Johnson, J.B.	Marty	Piper	Terwilliger
Chmielewski	Johnston	McGowan	Pogemiller	Vickerman
Cohen	Kelly	Merriam	Price	Wiener

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

## MOTIONS AND RESOLUTIONS – CONTINUED

### SUSPENSION OF RULES

Mr. Moe, R.D. moved that Joint Rule 2.06 be suspended as it relates to the Conference Committee report on S.F. No. 1613. The motion prevailed.

S.F. No. 1613 and the Conference Committee Report thereon were reported to the Senate.

### CONFERENCE COMMITTEE REPORT ON S.F. NO. 1613

A bill for an act relating to the organization and operation of state government; appropriating money for the departments of labor and industry, public service, jobs and training, housing finance, and other purposes with certain conditions; establishing and modifying certain programs; providing penalties; amending Minnesota Statutes 1992, sections 16B.06, subdivision 2a; 116J.617; 116J.982; 179.02, by adding a subdivision; 239.011, subdivision 2; 239.10; 239.791, subdivisions 6 and 8; 268.022, subdivision 2; 268.975, subdivisions 3, 4, 6, 7, 8, and by adding subdivisions; 268.976, subdivision 2; 268.978, subdivision 1; 268.98; and 462A.21, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 116J; 116M; 239; 268; and 462A; repealing Minnesota Statutes 1992, sections 116J.982, subdivisions 6a, 8, and 9; 239.05, subdivision 2c; 239.52; 239.78; 268.977; and 268.978, subdivision 3.

May 7, 1993

The Honorable Allan H. Spear  
President of the Senate

The Honorable Dee Long  
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 1613, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate concur in the House amendment and that S.F. No. 1613 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [COMMUNITY DEVELOPMENT; APPROPRIATIONS.]

The sums shown in the columns marked “APPROPRIATIONS” are appropriated from the general fund, or another fund named, to the agencies and for the purposes specified in this article, to be available for the fiscal years indicated for each purpose. The figures “1993,” “1994,” and “1995,” where used in this article, mean that the appropriation or appropriations listed under them are available for the year ending June 30, 1993, June 30, 1994, or June 30, 1995, respectively.

#### SUMMARY BY FUND

	1993	1994	1995	TOTAL
General	\$541,000	\$181,368,000	\$158,594,000	\$340,503,000
Environmental		434,000	434,000	868,000
Trunk Highway		667,000	667,000	1,334,000
Workers' Comp.		21,976,000	15,663,000	37,639,000
TOTAL	541,000	204,445,000	175,358,000	380,344,000

#### APPROPRIATIONS Available for the Year Ending June 30

1993	1994	1995
------	------	------

#### Sec. 2. TRADE AND ECONOMIC DEVELOPMENT

Subdivision 1. Total Appropriation \$ 500,000 \$ 40,504,000 \$ 24,461,000

##### Summary by Fund

General	39,627,000	23,584,000
Environmental	210,000	210,000
Trunk Highway	667,000	667,000

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

#### Subd. 2. Community Development

24,288,000	8,828,000
------------	-----------

\$50,000 is for the purposes of the youth entrepreneurship education program to be available until June 30, 1995. \$30,000 is for a teacher training program. \$20,000 is for creation of a resource center and revolving loan fund. This appropriation is only available as matched, dollar for dollar, by contributions from nonstate sources. Contributions may be made in kind.

\$1,000,000 the first year is for transfer to the tourism loan account in the special revenue fund for the tourism loan program under Minnesota Statutes, section 116J.617.

\$100,000 the first year and \$100,000 the second year is for the affirmative enterprise program. The appropriation is available until expended.

\$50,000 the first year and \$50,000 the second year is for making grants and entering contracts under Minnesota Statutes, section 116J.982.

\$25,000 the first year is for concentrated area action plans.

\$6,000,000 the first year is for transfer to the revolving loan fund account in the special revenue fund for the urban challenge grant program under Minnesota Statutes, section 116M.18.

\$6,000,000 the first year is for transfer to the regional revolving loan fund account in the special revenue fund for the challenge grant program to regional organizations under Minnesota Statutes, section 116N.08.

\$5,517,000 the first year and \$5,517,000 the second year are for economic recovery grants, of which \$500,000 may be used for the purposes of the capital access program.

\$226,000 the first year and \$226,000 the second year are for the small cities federal match.

\$500,000 the first year is for transfer to the capital access account in the special revenue fund for the capital access program under Minnesota Statutes, section 116J.876.

## Subd. 3. Minnesota Trade Office

2,026,000      2,040,000

\$105,000 the first year and \$105,000 the second year are for the foreign international information network.

## Subd. 4. Tourism

7,272,000      6,742,000

## Summary by Fund

General	6,605,000	6,075,000
Trunk Highway	667,000	667,000

To develop maximum private sector involvement in tourism, \$2,000,000 the first year and \$2,000,000 the second year of the amounts appropriated for marketing activities are contingent upon receipt of an equal contribution of nonstate sources that have been certified by the commissioner. Up to one-half of the match may be given in in-kind contributions. This appropriation may not be expended until the money is matched.

In order to maximize marketing grant benefits, the commissioner must give priority for joint venture marketing grants to organizations with year-round sustained tourism activities. For programs and projects submitted, the commissioner must give priority to those that encompass two or more areas or that attract nonresident travelers to the state.

Any unexpended funds from general fund appropriations made under this subdivision shall not cancel but shall be placed in a special advertising account for use by the office of tourism to purchase additional media.

If an appropriation for either year for grants is not sufficient, the appropriation for the other year is available for it.

\$30,000 the first year is for the international ringette tournament to be held in South St. Paul and Rosemount in 1994.

Up to \$300,000 the first year is for promoting the women's final four basketball tournament to be held in 1995. This

appropriation must be matched by nonstate sources on a one-to-one basis.

\$200,000 is for tourism promotion and marketing.

\$214,000 the first year and \$214,000 the second year are for the Minnesota film board. This appropriation is available only upon receipt by the board of \$1 in matching contributions of money or in-kind from nonstate sources for every \$3 provided by this appropriation.

\$25,000 each year is for the Lake Superior Center Authority.

Of the amount appropriated for the joint venture program, up to \$30,000 the first year and up to \$30,000 the second year are available to the Minnesota Indian tourism association. This appropriation must be matched by nonstate sources on a one-to-one basis.

The commissioner may use grant dollars or the value of in-kind services to provide the state contribution for the joint venture grant program.

The office of tourism shall: (1) analyze what travel offices of the 50 states and selected foreign governments are doing to promote tourism, including but not limited to organizational structure, funding sources, and marketing programs; and (2) rank Minnesota's position among the states and countries studied. The office, in consultation with representatives of Minnesota's tourism industry, shall report to the legislature and the governor by January 1, 1994. The report must recommend options for improving the state's competitive position in the industry. The recommendations should deal with assignment of responsibility within state government, funding options for the office of tourism, changes in state law that would enhance tourism, and the creation of a statewide tourism policy.

The commissioner of revenue may disclose the name, address, and phone number of a travel or tourism related business that is authorized to collect sales and use tax to the office of tourism within the department of trade and economic devel-

opment to be used only within the office of tourism for purposes of contacting travel or tourism related businesses.

#### Subd. 5. Business Development and Analysis

	500,000	5,157,000	5,077,000
--	---------	-----------	-----------

#### Summary by Fund

General	500,000	4,947,000	4,867,000
Environmental		210,000	210,000

\$200,000 the first year and \$200,000 the second year are for grants to Advantage Minnesota, Inc. The funds are available only if matched on at least a dollar-for-dollar basis from other sources. The commissioner may release the funds only upon:

(1) certification that matching funds from each participating organization are available; and

(2) review and approval by the commissioner of the proposed operations plan of Advantage Minnesota, Inc. for the biennium.

\$450,000 the first year and \$450,000 the second year are for the state's match for the federal small business development centers. If funding in one year is insufficient, the other year's appropriation is available.

\$1,088,000 each year is for job skills partnership grants.

\$190,000 the first year and \$190,000 the second year are for WomenVenture, Inc.

\$65,000 the first year and \$65,000 the second year are for Metropolitan Economic Development Associations, Inc.

\$500,000 in fiscal year 1993 is for job skills partnership grants.

\$25,000 in fiscal year 1994 and \$25,000 in fiscal year 1995 are for a grant to the North Metro Business Retention and Development Commission for the second and third stages of the multicomunity business retention and market expansion pilot project. This appropriation is available only upon demonstration of a dollar-

for-dollar cash match from the commission. The commission shall share all results and written reports with the department of trade and economic development.

Subd. 6. Administration

1,761,000      1,774,000

Sec. 3. MINNESOTA TECHNOLOGY, INCORPORATED

7,832,000      7,834,000

\$5,198,000 the first year and \$5,198,000 the second year are for transfer from the general fund to the Minnesota Technology, Inc. fund.

\$494,000 the first year and \$ 494,000 the second year are for grants to Minnesota Project Innovation.

\$947,000 the first year and \$947,000 the second year are for grants to Minnesota Project Outreach.

\$71,000 the first year and \$71,000 the second year are for grants to Minnesota Inventors Congress.

\$947,000 the first year and \$947,000 the second year are for grants to Natural Resources Research Institute.

\$88,000 the first year and \$88,000 the second year are for grants to Minnesota Council for Quality.

\$50,000 the first year and \$50,000 the second year are for grants to Minnesota High Tech Corridor Corporation.

\$75,000 the first year and \$75,000 the second year are for grants to Cold Weather Research Center.

Sec. 4. MINNESOTA WORLD TRADE CENTER CORPORATION

200,000

This appropriation is to pay the accrued operating costs and debt services, including principal and interest, of the corporation. This appropriation in no way constitutes a commitment or obligation by the state of Minnesota to make any payments on obligations of the corporation outstanding as of July 1, 1993. This section is intended to make it clear that the state of Minnesota is not and never has

been nor will be responsible for the obligations of the corporation.

This appropriation and money in the corporation accounts are the only money available to the board to make any payment of an obligation of the corporation.

This appropriation is available until June 30, 1995. Balances in the world trade center corporation account in the special revenue fund on June 30, 1995, shall be transferred to the general fund.

#### Sec. 5. JOBS AND TRAINING

48,879,000

46,895,000

##### Subdivision 1. Rehabilitation Services

17,612,000

17,612,000

Of this appropriation, \$100,000 in each year is for a cost-of-living adjustment in the Extended Employment Services program in order to maintain the current caseload to the extent possible within this appropriation.

For the biennium ending June 30, 1995, at least 38 percent of the vocational rehabilitation activity budget must be directed toward grants, which are budgeted as aid to individuals and local assistance categories of expense.

The commissioner shall apply for all available federal grants for services to handicapped including funds for the independent living center.

##### Subd. 2. State Services for the Blind

3,588,000

3,605,000

This appropriation may be supplemented by funds provided by the Friends of the Communication Center, for support of Services for the Blind's Communication Center which serves all blind and visually handicapped Minnesotans. The commissioner shall report to the legislature on a biennial basis the funds provided by the Friends of the Communication Center.

##### Subd. 3. Job Service

\$100,000 is appropriated to the commissioner of jobs and training for the biennium ending June 30, 1995, for the uniform business identifier study.

## Subd. 4. Community Services

27,579,000      25,678,000

\$880,000 is appropriated from the general fund to the commissioner of jobs and training for operating costs of transitional housing programs under Minnesota Statutes, section 268.38. Of this appropriation, \$440,000 is for the first year and \$440,000 is for the second year.

\$4,200,000 for the first year and \$5,550,000 for the second year is appropriated from the general fund to the commissioner of the department of jobs and training for Minnesota economic opportunity grants to community action agencies. This appropriation is to replace federal funds that are no longer available to community action agencies because of new federal restrictions on the authority to transfer block grant money from the federal Low-Income Home Energy Assistance program to the federal Community Services Block grant.

For the biennium ending June 30, 1995, the commissioner shall transfer to the low-income home weatherization program at least five percent of money received under the low-income home energy assistance block grant in each year of the biennium and shall spend all of the transferred money during the year of the transfer or the year following the transfer. Up to 1.63 percent of the transferred money may be used by the commissioner for administrative purposes.

For the biennium ending June 30, 1995, no more than 1.63 percent of money remaining under the low-income home energy assistance program after transfers to the weatherization program may be used by the commissioner for administrative purposes.

The state appropriation for the temporary emergency food assistance program may be used to meet the federal match requirements.

Of the money appropriated for the summer youth employment programs for fiscal year 1994, \$750,000 is immediately available. Any remaining balance of the

immediately available money is available for the year in which it is appropriated. If the appropriation for either year of the biennium is insufficient, money may be transferred from the appropriation for the other year.

Notwithstanding Minnesota Statutes, section 268.022, subdivision 2, the commissioner of finance shall transfer to the general fund from the dedicated fund \$3,054,000 in the first year and \$2,303,000 in the second year of the money collected through the special assessment established in Minnesota Statutes, section 268.022, subdivision 1.

Of this appropriation, \$5,554,000 the first year and \$2,303,000 the second year are for summer youth employment programs.

Of this appropriation, \$100,000 is to train and certify community action agency weatherization programs to comply with the requirements of Minnesota Statutes, section 144.878, subdivision 5. Of this appropriation, \$400,000 is to be used for swab teams with priority to be given to those swab teams in greater Minnesota which are affiliated with community action agencies and to those swab teams in cities of the first class which are affiliated with community action agencies or neighborhood-based nonprofit organizations. 3.75 percent of the allocation may be used for administrative costs. Any unencumbered balance remaining in the first year does not cancel but is available for the second year.

Of this appropriation, \$1,200,000 is for the food shelf program.

Of this appropriation, \$400,000 is for youth employment and for housing for the homeless through the YOUTHBUILD program.

Of the appropriation for the Minnesota economic opportunity grant, the commissioner may use up to nine percent each year for state operations.

Of the appropriation for Head Start, the commissioner of the department of jobs and training may use up to two percent each year for state operations.

## Sec. 6. HOUSING FINANCE AGENCY

Subdivision 1. Total Appropriation	21,282,000	17,532,000
------------------------------------	------------	------------

This appropriation is for transfer to the housing development fund for the programs specified.

Any state appropriations used to meet match requirements under Title II of the National Affordable Housing Act of 1990, Public Law Number 101-625, 104 Stat. 4079, must be repaid, to the extent required by federal law, to the HOME Investment Trust Fund established by the department of housing and urban development pursuant to Title II of the National Affordable Housing Act of 1990 for the state of Minnesota or for the appropriate participating jurisdiction.

State appropriations to the Minnesota housing finance agency may be granted by the agency to cities or nonprofit organizations to the extent necessary to meet match requirements under Title II of the National Affordable Housing Act of 1990, Public Law Number 101-625, 104 Stat. 4079, provided that other program requirements are met.

Spending limit on cost of general administration of agency programs:

1994	1995
8,990,000	9,305,000

\$1,250,000 the first year and \$1,250,000 the second year are for a rental housing assistance program for persons with a mental illness or families with an adult member with a mental illness under Minnesota Statutes, section 462A.21, subdivision 8c. This appropriation includes \$50,000 in each year for the mental illness crisis housing assistance account.

\$250,000 the first year and \$250,000 the second year are for the home sharing program under Minnesota Statutes, section 462A.05, subdivision 24.

\$3,443,000 the first year and \$3,493,000 the second year are for the affordable rental investment fund program. Affordable rental investment assistance includes loans, credit enhancement, and coinsurance participation.

\$550,000 the first year and \$550,000 the second year are for the acquisition, rehabilitation, or construction of transitional housing units.

\$2,000,000 the first year and \$2,000,000 the second year are for the community rehabilitation fund program.

\$100,000 the first year and \$100,000 the second year are for the capacity building grant program under Minnesota Statutes, section 462A.21, subdivision 3b.

\$187,000 the first year and \$187,000 the second year are for the urban Indian housing program under Minnesota Statutes, section 462A.07, subdivision 15.

\$1,683,000 the first year and \$1,683,000 the second year are for the tribal Indian housing program under Minnesota Statutes, section 462A.07, subdivision 14.

\$186,000 the first year and \$186,000 the second year are for the Minnesota rural and urban homesteading program under Minnesota Statutes, section 462A.057.

The agency may use up to \$1,000,000 of available resources for the purpose of making loans under the Minnesota rural and urban homesteading program established under Minnesota Statutes, section 462A.057, subdivision 1. The commissioner shall report to the relevant finance divisions in the house of representatives and senate on the outcomes of this program January 15 of each year.

\$4,287,000 the first year and \$4,287,000 the second year are for the housing rehabilitation and accessibility program under Minnesota Statutes, section 462A.05, subdivision 14a.

Of this appropriation, \$1,798,000 the first year and \$1,798,000 the second year are for the Housing Trust Fund to be deposited in the housing trust fund account created under Minnesota Statutes, section 462A.201, and used for the purposes provided in that section.

\$1,500,000 the first year and \$1,500,000 the second year are for the rent assistance for family stabilization program under Minnesota Statutes, section 462A.205.

\$40,000 the first year and \$40,000 the second year are for a grant to the Minnesota Housing Partnership to be used for grants to the regional housing network organizations that provide housing and homeless prevention information and assistance in greater Minnesota. The regional housing network organizations must use any grant funds received under this section to match private sources of money.

Of this appropriation, \$3,750,000 is for family homeless prevention and assistance program.

Of this appropriation, \$183,000 each year is for the emergency mortgage foreclosure prevention and emergency rental assistance program.

Of this appropriation, \$25,000 each year is for home equity counseling grants.

Of this appropriation, \$50,000 is for a grant to the Northwest Hennepin Human Services Council for a human services enterprise zone demonstration project for coordinated delivery of social services. The pilot project must design a program to:

- (1) establish a zone by setting service delivery boundaries;
- (2) assess barriers to coordinated delivery of housing assistance, health services, family services, and related human service assistance;
- (3) develop methods to simplify service delivery and encourage collaboration among service providers;
- (4) develop cooperative service agreements between agencies and units of government, including municipal, county, state, and federal government units and agencies, school districts, post-secondary education institutions, and other service providers including representatives of organized labor;
- (5) seek waivers of regulations that are barriers to cooperation; and
- (6) evaluate the human service enterprise zone to determine how it may be adapted

to serve as a model for the delivery of human services.

By February 1, 1994, the grantee shall prepare an interim report for the agency with findings and recommendations on program design. The agency shall report to the legislature by December 1, 1995, on the implementation of the demonstration project to develop a model human services enterprise zone.

#### Sec. 7. COMMERCE

Subdivision 1. Total Appropriation	14,418,000	14,438,000
------------------------------------	------------	------------

##### Summary by Fund

General	13,867,000	13,886,000
Environmental	224,000	224,000
Special Revenue	327,000	328,000

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

#### Subd. 2. Financial Examinations

5,954,000	6,089,000
-----------	-----------

#### Subd. 3. Registration and Analysis

2,661,000	2,523,000
-----------	-----------

#### Subd. 4. Petroleum Tank Release Cleanup Board

224,000	224,000
---------	---------

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

#### Subd. 5. Administrative Services

2,139,000	2,173,000
-----------	-----------

#### Subd. 6. Enforcement and Licensing

3,440,000	3,429,000
-----------	-----------

##### Summary by Fund

General	3,113,000	3,101,000
Special Revenue	327,000	328,000

\$327,000 the first year and \$328,000 the second year are from the real estate education, research, and recovery account in the special revenue fund for the purpose of Minnesota Statutes, section 82.34,

subdivision 6. If the appropriation from the special revenue fund for either year is insufficient, the appropriation for the other year is available for it.

#### Sec. 8. NON-HEALTH-RELATED BOARDS

Subdivision 1. Total for this section	1,247,000	1,232,000
Subd. 2. Board of Accountancy	466,000	474,000
Subd. 3. Board of Architecture, Engineering, Land Surveying, Landscape Architecture, and Interior Design	591,000	568,000
Subd. 4. Board of Barber Examiners	126,000	126,000
Subd. 5. Board of Boxing	64,000	64,000

#### Sec. 9. LABOR AND INDUSTRY

Subdivision 1. Total Appropriation	26,024,000	19,710,000
Summary by Fund		

General	4,048,000	4,047,000
Workers' Compensation	21,976,000	15,663,000

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

#### Subd. 2. Workers' Compensation Regulation and Enforcement

14,961,000      9,410,000

#### Summary by Fund

General	100,000	100,000
Workers' Comp.	14,861,000	9,310,000

\$5,000,000 the first year from the special compensation fund is for the Daedalus imaging systems project. This appropriation must not be allotted until the commissioner certifies that all information policy office requirements for this project have been met or will be met. This appropriation is available for either year of the biennium.

\$100,000 in the first year and \$100,000 in the second year are for grants to the Vinland Center for rehabilitation service.

Fee receipts collected as a result of providing direct computer access to public workers' compensation data on file with

the commissioner must be credited to the general fund.

Subd. 3. Workplace Services

5,455,000      4,744,000

Summary by Fund

General	2,704,000	2,703,000
Workers' Comp.	2,751,000	2,041,000

This appropriation includes the transfer of the industrial hygiene activity from the department of health. The appropriation for this activity is from the special compensation fund.

\$710,000 the first year from the special compensation fund is for litigation of alleged ergonomic violations cases under the occupational safety and health act (OSHA). This appropriation is available for either year of the biennium.

Subd. 4. General Support

5,608,000      5,556,000

Summary by Fund

General	1,244,000	1,244,000
Workers' Compensation	4,364,000	4,312,000

\$204,000 the first year and \$204,000 the second year are for labor education and advancement program grants.

Sec. 10. PUBLIC UTILITIES COMMISSION

41,000      3,371,000      3,071,000

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

\$282,000 the first year and \$35,000 the second year are for an electronic storage and retrieval system. This appropriation

must not be allotted until the chair of the commission certifies that all information policy office requirements for this project have been met or will be met. Any unencumbered balance remaining in the first year does not cancel but is available for the second year.

\$30,000 the first year is for transfer to the extended area service balloting account in the special revenue fund.

\$41,000 of this appropriation is added to the appropriation in Laws 1991, chapter 233, section 10, and is for extended area service balloting costs.

#### Sec. 11. PUBLIC SERVICE

Subdivision 1. Total Appropriation	9,090,000	8,950,000
------------------------------------	-----------	-----------

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

##### Subd. 2. Telecommunications

730,000	752,000
---------	---------

##### Subd. 3. Weights and Measures

2,948,000	2,845,000
-----------	-----------

##### Subd. 4. Information and Operations Management

1,540,000	1,440,000
-----------	-----------

\$84,000 the first year is for an electronic imaging system. This appropriation must not be allotted until the commissioner certifies that all of the information policy office requirements for this project have been met or will be met. Any unencumbered balance remaining in the first year does not cancel but is available for the second year.

##### Subd. 5. Energy

3,872,000	3,913,000
-----------	-----------

\$588,000 the first year and \$588,000 the second year are for transfer to the energy and conservation account established in Minnesota Statutes, section 216B.241, subdivision 2a, for programs administered by the commissioner of jobs and training to improve the energy efficiency of residential oil-fired heating plants in low-income households, and when neces-

sary, to provide weatherization services to the homes.

\$220,000 the first year and \$220,000 the second year are for transfer to the energy and conservation account established by Minnesota Statutes, section 216B.241, subdivision 2a, for programs administered by the commissioner of jobs and training to improve the energy efficiency of residential liquified petroleum gas heating equipment in low-income households, and, when necessary, to provide weatherization services to the homes.

Of this appropriation, \$284,000 in the first year and \$326,000 in the second year are for alternative energy engineering activities. In employing persons to perform these activities, the department shall first offer any positions to persons previously employed by the department of public service during fiscal year 1993 in that capacity. No part of this appropriation may be used for outside consulting.

#### Subd. 6. Rental Energy Loan and Rebate Program Appropriation

All money, including interest and loan repayments, remaining from the Exxon Oil overcharge money appropriated to the commissioner of public service by Laws 1988, chapter 686, article 1, section 38, that was allocated to the Minnesota housing finance agency is reappropriated to the commissioner for the purposes of this subdivision and is available until spent.

\$1,600,000 is for a contract with an appropriate nonprofit organization, without public bidding, to provide revolving loan funds for a rental energy loan program in metropolitan counties as defined in Minnesota Statutes, section 473.121, subdivision 4. The program is to be marketed and delivered in coordination with other energy services.

The balance is for any purpose consistent with the state energy conservation program.

#### Sec. 12. MINNESOTA HISTORICAL SOCIETY

Subdivision 1. Total Appropriation

18,200,000

17,996,000

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

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

Subd. 2. Public Programs and Operations	11,188,000	11,188,000
Subd. 3. Statewide Outreach	597,000	557,000

\$48,000 the first year and \$48,000 the second year are for historic site grants to encourage local historic preservation projects.

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

\$40,000 is for grant-in-aid purposes of the St. Anthony Falls Heritage Board in accordance with Minnesota Statutes, section 138.763. Grants may be made for public improvements to assist and provide information to the public and construct historic markers and monuments. The matching requirements for the grants may be established by the St. Anthony Falls Heritage Board.

Subd. 4. Repair and Replacement	430,000	430,000
Subd. 5. Physical Plant	5,559,000	5,568,000
Subd. 6. Fiscal Agent	426,000	253,000

(a) Sibley House Association

88,000	88,000
--------	--------

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

(b) Minnesota International Center

50,000	50,000
--------	--------

(c) Minnesota Military Museum

29,000
--------

(d) Minnesota Air National Guard  
Museum

19,000

(e) Institute for Learning and Teaching

90,000      90,000

This appropriation is for Project 120.

(f) Moose Lake Fire and Heritage  
Museum

25,000

This appropriation is for a grant to the Carlton county historical society to be used by the Onanegozie resource conservation and development council for the development of the Moose Lake Fire and Heritage Museum. This appropriation may not be spent unless it is matched by an equal amount from local sources. The legislature intends that no further direct appropriation will be made for this purpose.

(g) Cloquet-Moose Lake Forest Fire  
Center

50,000

(h) Nurse Statue

50,000

This appropriation is for a grant to the Marine Corps Coordinating Council for the nurse statue to be located in the atrium of the Veterans Affairs Medical Center in Minneapolis. This appropriation is available until June 30, 1995.

(i) Farmamerica

25,000      25,000

Notwithstanding any other law, this appropriation may be used for operational purposes.

(j) Balances Forward

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

Sec. 13. MINNESOTA HUMANITIES  
COMMISSION

261,000      261,000

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

#### Sec. 14. BOARD OF THE ARTS

Subdivision 1. Total Appropriation	6,254,000	6,254,000
------------------------------------	-----------	-----------

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

Subd. 2. Operations and Services	669,000	669,000
----------------------------------	---------	---------

Subd. 3. Grants Program	4,295,000	4,295,000
-------------------------	-----------	-----------

Subd. 4. Regional Arts Councils	1,290,000	1,290,000
---------------------------------	-----------	-----------

Sec. 15. MINNESOTA MUNICIPAL BOARD	319,000	280,000
------------------------------------	---------	---------

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

Sec. 16. UNIFORM LAWS COMMISSION	25,000	25,000
----------------------------------	--------	--------

Sec. 17. COUNCIL ON BLACK MINNESOTANS	226,000	225,000
---------------------------------------	---------	---------

Of this appropriation, \$6,000 the first year and \$5,000 the second year are for transfer to the Ombudsperson for families.

Sec. 18. COUNCIL ON AFFAIRS OF SPANISH-SPEAKING PEOPLE	249,000	248,000
--	---------	---------

During the biennium ending June 30, 1995, council publications may contain advertising. Receipts from advertising are appropriated to the council for purposes of council publications.

For the biennium ending June 30, 1995, the council shall report to the legislature on the revenues and expenditures from advertising by February 15 each year.

Of this appropriation, \$6,000 the first year and \$5,000 the second year are for transfer to the Ombudsperson for families.

By November 15, 1993, the council shall submit a financially related audit to the legislature for the most recent two years and a study of the internal control struc-

ture performed by an independent accountant licensed by the state of Minnesota.

Sec. 19. COUNCIL ON ASIAN-PACIFIC MINNESOTANS

201,000      200,000

Of this appropriation, \$6,000 the first year and \$5,000 the second year are for transfer to the Ombudsperson for families.

Sec. 20. INDIAN AFFAIRS COUNCIL

473,000      457,000

For the biennium ending June 30, 1995, federal money received for the Indian affairs council is appropriated to the council and added to this appropriation.

Of this appropriation, \$6,000 the first year and \$5,000 the second year are for transfer to the Ombudsperson for families.

Of this appropriation, \$15,000 in the first year is for planning the development of culturally appropriate legal services to indigent clients or tribal representatives who reside in Hennepin county and are involved in a case governed by the Indian Child Welfare Act, United States Code, title 25, section 1901, et seq., or the Minnesota Indian family preservation act, Minnesota Statutes 1992, sections 257.35 to 257.3579. This appropriation is available until expended.

Sec. 21. SECRETARY OF STATE

Subdivision 1. Total Appropriation

5,283,000      5,188,000

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

Subd. 2. Administration

804,000      804,000

Subd. 3. Operations

4,046,000      3,964,000

Subd. 4. Election Administration

433,000      420,000

Sec. 22. ETHICAL PRACTICES BOARD

434,000      429,000

Sec. 23. [TRANSFERS.]

*Subdivision 1. [GENERAL PROCEDURE.] If the appropriation in this act to an agency in the executive branch is specified by program, the agency may transfer unencumbered balances among the programs specified in that section after getting the approval of the commissioner of finance. The commissioner shall not approve a transfer unless the commissioner believes that it will carry out the intent of the legislature. The transfer must be reported immediately to the committee on finance of the senate and the committee on ways and means of the house of representatives. If the appropriation in this act to an agency in the executive branch is specified by activity, the agency may transfer unencumbered balances among the activities specified in that section using the same procedure as for transfers among programs.*

*Subd. 2. [CONSTITUTIONAL OFFICERS.] A constitutional officer need not get the approval of the commissioner of finance but must notify the committee on finance of the senate and the committee on ways and means of the house of representatives before making a transfer under subdivision 1.*

*Subd. 3. [TRANSFER PROHIBITED.] If an amount is specified in this act for an item within an activity, that amount must not be transferred or used for any other purpose.*

**Sec. 24. [BASE CUT TRANSFERS.]**

*For any agency assigned base cuts in this act, the proportion of agency base cuts for pass-through grants compared to total agency base cuts may not exceed the proportion of dollars appropriated for pass-through grants in the agency compared to total dollars appropriated to that agency.*

**Sec. 25. [LABOR INTERPRETIVE CENTER; INITIAL BOARD OF DIRECTORS.]**

*Of the initial appointments to the labor interpretive center board, two members appointed by the governor and the member appointed by the mayor of St. Paul must have two-year initial terms. The initial board of directors must be appointed no later than August 1, 1993.*

**Sec. 26. [LABOR INTERPRETIVE CENTER; TRANSFER OF APPROPRIATIONS.]**

*Subdivision 1. [UNENCUMBERED BALANCE.] The unencumbered balance of the appropriation for the labor interpretive center project transferred to the capitol area architectural and planning board in Laws 1991, chapter 345, is transferred to the labor interpretive center account.*

*Subd. 2. [PROJECT AUTHORIZED BY 1990 LEGISLATURE.] The appropriation in Laws 1990, chapter 610, article 1, section 16, subdivision 4, is transferred to the labor interpretive center account.*

**Sec. 27. [TRANSFER OF POWERS.]**

*The powers and duties of the board of abstracters under Minnesota Statutes, sections 386.61 to 386.76 are transferred to the commissioner of commerce. Minnesota Statutes, section 15.039, subdivisions 1 to 6, apply to this transfer.*

**Sec. 28. [REVISOR INSTRUCTION.]**

*The revisor shall change the terms "board," "executive secretary," "board of abstracters," or similar terms to "commissioner," "commissioner*

of commerce," or similar terms wherever they appear in Minnesota Statutes and Minnesota Rules with respect to the board of abstractors.

**Sec. 29. [CONCENTRATED RESIDENTIAL AREA ACTION PLANS; DEFINITIONS.]**

*Subdivision 1. [APPLICABILITY.] The definitions in this section apply to section 30.*

*Subd. 2. [CITY.] "City" means a home rule charter or statutory city having no less than 30 percent of its households in renter-occupied residential units as reported in the latest decennial federal census.*

*Subd. 3. [COMMISSIONER.] "Commissioner" means the commissioner of trade and economic development.*

*Subd. 4. [CONCENTRATED RESIDENTIAL AREA.] "Concentrated residential area" means an area of a city that contains the following:*

- (1) 50 percent of the residential units in the area are renter occupied;*
- (2) not less than half of the residential buildings in the area were built prior to 1970;*
- (3) at least 20 percent of the city's population according to the latest decennial federal census lives in the area;*
- (4) at least three percent of the city's land area is contained in the area; and*
- (5) the median household income for the area is not more than 80 percent of the county median income.*

**Sec. 30. [CONCENTRATED RESIDENTIAL AREA ACTION PLAN.]**

*Subdivision 1. [CRITERIA.] For a concentrated residential area a city, with the assistance provided in this section, shall prepare a plan that at a minimum includes the following:*

- (1) the demographic and socioeconomic profile of the area's population and a statement of the social needs of the area's residents;*
- (2) the condition of private owner-occupied and renter-occupied buildings;*
- (3) the vacancy rate and turnover rate of the rental residential buildings;*
- (4) the presence of and condition of the area's public facilities;*
- (5) the redevelopment objectives of the city for the area;*
- (6) the specific activities or means by which the city could implement the revitalization objectives;*
- (7) strategies to preserve existing housing;*
- (8) strategies to assist low- and moderate-income households to achieve self-sufficiency and meet their identified social needs;*
- (9) recommendations to the commissioner to facilitate the preservation, reuse, and rehabilitation of the area's housing stock and to increase the self-sufficiency of the area's residents; and*
- (10) identification of the process that involved the area's residents in the development of the plan.*

Subd. 2. [GRANTS.] *The commissioner may make grants to cities to complete a concentrated residential neighborhood action plan. The state funds for each grant must be equally matched by city matching money. Matching money may include money from the city general fund, a special fund, grant, or other source.*

Subd. 3. [REPORT.] *The commissioner shall submit recommendations related to concentrated residential area action plans to the legislature by February 15, 1994.*

Sec. 31. [UNIFORM BUSINESS IDENTIFIER STUDY.]

Subdivision 1. [FINDINGS.] *The current registration process requires each business to deal with multiple agencies, provide redundant information to each and, in general, creates an undue administrative burden on Minnesota businesses. Each agency also produces data that is not easily transferred among state agencies, which in turn results in businesses being asked for the same information from a number of different agencies. The establishment of a uniform process would reduce the burden on businesses and promote the sharing of information among the state agencies, thereby eliminating the costs and burdens of duplicative information gathering and storage.*

Subd. 2. [STUDY.] *The commissioner of jobs and training shall study the feasibility of establishing a uniform business identifier process for all firms doing business with and within the state.*

*The proposed study shall:*

(1) *identify and document the various requirements with which businesses currently must comply in order to legally conduct business within the state;*

(2) *propose and analyze alternatives for a uniform process of business registration, including a single statewide account number, a unified application form, and an integrated data processing system or systems;*

(3) *detail the operational impact of installing the process or system;*

(4) *estimate the costs and benefits, both for the state and for Minnesota businesses, of installing the process;*

(5) *prepare an estimated implementation timetable;*

(6) *recommend the structure and composition of the project needed for implementation; and*

(7) *recommend and analyze the information system technology alternatives, if any, that will be needed to implement the recommended process.*

*The commissioner of the department of jobs and training, or a designee, shall be the chair of the study and shall provide staff to assist in the study effort. Those state offices, departments, and agencies that interact with Minnesota businesses including, but not limited to, department of jobs and training, secretary of state, department of revenue, department of labor and industry, department of commerce, and the information policy office of the department of administration shall cooperate in this study.*

Sec. 32. [WORLD TRADE CENTER CORPORATION BOARD; TERMS.]

*The terms of the following members of the world trade center corporation board of directors expire on June 30, 1993: (1) legislator members; and (2) members serving on June 30, 1993, who were appointed by the governor for a six-year term.*

**Sec. 33. [WORLD TRADE CENTER; MEDICAL EXPOSITION.]**

*The \$500,000 appropriation to the department of trade and economic development for transfer to the World Trade Center Corporation made by Laws 1991, chapter 345, article 1, section 23, is to establish an annual medical exposition, trade fair, and health care congress to commence either in 1993 or 1994. The event need not be coordinated and held in conjunction with the World Health Organization's annual international conference on children's health care to commence in Minnesota in 1993.*

**Sec. 34. [LIMIT ON ASSESSMENTS.]**

*The department of public service may not assess more than \$584,000 in fiscal year 1994 and \$626,000 in fiscal year 1995 for alternative energy engineering activities.*

Sec. 35. Minnesota Statutes 1992, section 3.30, subdivision 2, as amended by Laws 1993, chapter 4, section 2, is amended to read:

Subd. 2. [MEMBERS; DUTIES.] The majority leader of the senate or a designee, the chair of the senate committee on finance, and the chair of the senate division of finance responsible for overseeing the items being considered by the commission, the speaker of the house of representatives or a designee, the chair of the house committee on ways and means, and the chair of the *appropriate finance committee, or division of the house committee* responsible for overseeing the items being considered by the commissioner, constitute the legislative advisory commission. The division chair of the finance committee in the senate and the division chair of the *appropriate finance committee or division* in the house shall rotate according to the items being considered by the commission. If any of the members elect not to serve on the commission, the house of which they are members, if in session, shall select some other member for the vacancy. If the legislature is not in session, vacancies in the house membership of the commission shall be filled by the last speaker of the house or, if the speaker is not available, by the last chair of the house rules committee, and by the last senate committee on committees or other appointing authority designated by the senate rules in case of a senate vacancy. The commissioner of finance shall be secretary of the commission and keep a permanent record and minutes of its proceedings, which are public records. The commissioner of finance shall transmit, under section 3.195, a report to the next legislature of all actions of the commission. Members shall receive traveling and subsistence expenses incurred attending meetings of the commission. The commission shall meet from time to time upon the call of the governor or upon the call of the secretary at the request of two or more of its members. A recommendation of the commission must be made at a meeting of the commission unless a written recommendation is signed by all the members entitled to vote on the item, ~~except that a recommendation under section 298.2213, subdivision 4, or 298.296, subdivision 1, need only be signed by a majority of the members entitled to vote on the item.~~

Sec. 36. Minnesota Statutes 1992, section 15.38, is amended by adding a subdivision to read:

*Subd. 9. [SIBLEY HOUSE.] The Sibley House association may purchase fire, wind, hail, and vandalism insurance and insurance coverage for fine art objects from state appropriations.*

Sec. 37. Minnesota Statutes 1992, section 15.50, subdivision 2, is amended to read:

Subd. 2. [CAPITOL AREA PLAN.] (a) The board shall prepare, prescribe, and from time to time amend a comprehensive use plan for the capitol area, ~~herein~~ called the area in this subdivision, which shall initially consist of that portion of the city of Saint Paul comprehended within the following boundaries: Beginning at the point of intersection of the centerline of the Arch-Pennsylvania freeway and the centerline of Marion Street, thence southerly along the centerline of Marion Street extended to a point 50 feet south of the south line of Concordia Avenue, thence southeasterly along a line extending 50 feet from the south line of Concordia Avenue to a point 125 feet from the west line of John Ireland Boulevard, thence southwesterly along a line extending 125 feet from the west line of John Ireland Boulevard to the south line of Dayton Avenue, thence northeasterly from the south line of Dayton Avenue to the west line of John Ireland Boulevard, thence northeasterly to the centerline of the intersection of Old Kellogg Boulevard and Summit Avenue, thence northeasterly along the centerline of Summit Avenue to the south line of the right-of-way of the Fifth Street ramp, thence southeasterly along the right-of-way of the Fifth Street ramp to the center line of the new West Kellogg Boulevard, thence southerly along the east line of the new West Kellogg Boulevard, to the center line of West Seventh Street, thence northeasterly along the center line of West Seventh Street to the center line of the Fifth Street ramp, thence northwesterly along the center line of the Fifth Street ramp to the east line of the right-of-way of Interstate Highway 35-E, thence northeasterly along the east line of the right-of-way of Interstate Highway 35-E to the south line of the right-of-way of Interstate Highway 94, thence easterly along the south line of the right-of-way of Interstate Highway 94 to the west line of St. Peter Street, thence southerly to the south line of Eleventh Street, thence easterly along the south line of Eleventh Street to the west line of Cedar Street, thence southeasterly along the west line of Cedar Street to the centerline of Tenth Street, thence northeasterly along the centerline of Tenth Street to the centerline of Minnesota Street, thence northwesterly along the centerline of Minnesota Street to the centerline of Eleventh Street, thence northeasterly along the centerline of Eleventh Street to the centerline of Jackson Street, thence northwesterly along the centerline of Jackson Street to the centerline of the Arch-Pennsylvania freeway extended, thence westerly along the centerline of the Arch-Pennsylvania freeway extended and Marion Street to the point of origin. ~~If construction of the labor, interpretive center does not commence prior to December 31, 1996, at the site recommended by the board, the boundaries of the capitol area revert to their configuration as of 1992. Pursuant to~~ Under the comprehensive plan, or any a portion thereof of it, the board may regulate, by means of zoning rules adopted pursuant to under the administrative procedure act, the kind, character, height, and location, of buildings and other structures constructed or used, the size of yards and open spaces, the percentage of lots that may be occupied, and the uses of land, buildings and other structures, within the area. To protect and enhance the dignity, beauty, and architectural integrity of the capitol area, the board is further empowered to include in its zoning rules design review procedures and standards with respect to any proposed construction activities in the capitol area significantly affecting the dignity, beauty, and architectural

integrity of the area. No person ~~shall~~ *may* undertake these construction activities as defined in the board's rules in the capitol area without first submitting construction plans to the board, obtaining a zoning permit from the board, and receiving a written certification from the board specifying that the person has complied with all design review procedures and standards. Violation of the zoning rules is a misdemeanor. The board may, at its option, proceed to abate any violation by injunction. The board and the city of St. Paul shall cooperate in assuring that the area adjacent to the capitol area is developed in a manner that is in keeping with the purpose of the board and the provisions of the comprehensive plan.

(b) The commissioner of administration shall act as a consultant to the board with regard to the physical structural needs of the state. The commissioner shall make studies and report the results to the board when ~~they request~~ *it requests* reports for ~~their~~ *its* planning purpose.

(c) No public building, street, parking lot, or monument, or other construction ~~shall~~ *may* be built or altered on any public lands within the area unless the plans for the ~~same~~ *conforms project conform* to the comprehensive use plan as specified in clause (d) and to the requirement for competitive plans as specified in clause (e). No alteration substantially changing the external appearance of any existing public building approved in the comprehensive plan or the exterior or interior design of any proposed new public building the plans for which were secured by competition under clause (e), may be made without the prior consent of the board. The commissioner of administration shall consult with the board regarding internal changes having the effect of substantially altering the architecture of the interior of any proposed building.

(d) The comprehensive plan ~~shall~~ *must* show the existing land uses and recommend future uses including: areas for public taking and use; zoning for private land and criteria for development of public land, including building areas and open spaces; vehicular and pedestrian circulation; utilities systems; vehicular storage; elements of landscape architecture. No substantial alteration or improvement ~~shall~~ *may* be made to public lands or buildings in the area save with the written approval of the board.

(e) The board shall secure by competitions, plans for any new public building. Plans for any comprehensive plan, landscaping scheme, street plan, or property acquisition, ~~which~~ *that* may be proposed, or for any proposed alteration of any existing public building, landscaping scheme or street plan may be secured by a similar competition. ~~Such~~ *A* competition ~~shall~~ *must* be conducted under rules prescribed by the board and may be of any type which meets the competition standards of the American Institute of Architects. Designs selected ~~shall~~ become the property of the state of Minnesota, and the board may award one or more premiums in each such competition and may pay ~~such~~ *the* costs and fees as ~~that~~ *may* be required for ~~the~~ *its* conduct thereof. At the option of the board, plans for projects estimated to cost less than \$1,000,000 may be approved without competition provided ~~such~~ *the* plans have been considered by the advisory committee described in ~~elause~~ *paragraph* (f). Plans for projects estimated to cost less than \$400,000 and for construction of streets need not be considered by the advisory committee if in conformity with the comprehensive plan.

(f) The board ~~shall~~ *may* not adopt any plan under ~~elause~~ *paragraph* (e) unless it first receives the comments and criticism of an advisory committee of three persons, each of whom is either an architect or a planner, who have

been selected and appointed as follows: one by the board of the arts, one by the board, and one by the Minnesota Society of the American Institute of Architects. Members of the committee ~~shall~~ *may* not be contestants under clause (e). The comments and criticism ~~shall~~ *must* be a matter of public information. The committee shall advise the board on all architectural and planning matters. For that purpose;

(1) the committee ~~shall~~ *must* be kept currently informed concerning, and have access to, all data, including all plans, studies, reports and proposals, relating to the area as the ~~same~~ *data* are developed or in the process of preparation, whether by the commissioner of administration, the commissioner of trade and economic development, the metropolitan council, the city of Saint Paul, or by any architect, planner, agency or organization, public or private, retained by the board or not retained and engaged in any work or planning relating to the area, and a copy of any ~~such~~ *data* prepared by any public employee or agency ~~shall~~ *must* be filed with the board promptly upon completion;

(2) The board may employ ~~such~~ *stenographic or technical help as that* may be reasonable to assist the committee to perform its duties;

(3) When so directed by the board, the committee may serve as, and any member or members ~~thereof of the committee~~ may serve on, the jury or as professional advisor for any architectural competition. The board shall select the architectural advisor and jurors for any competition with the advice of the committee; and.

(4) The city of Saint Paul shall advise the board.

(g) The comprehensive plan for the area ~~shall~~ *must* be developed and maintained in close cooperation with the commissioner of trade and economic development and, the planning department and the council for the city of Saint Paul, and the board of the arts, and no ~~such~~ *plan or amendment thereof* shall of a plan may be effective without 90 days' notice to the planning department of the city of Saint Paul and the board of the arts.

(h) The board and the commissioner of administration, jointly, shall prepare, prescribe, and from time to time revise standards and policies governing the repair, alteration, furnishing, appearance, and cleanliness of the public and ceremonial areas of the state capitol building. ~~Pursuant to this power,~~ The board shall consult with and receive advice from the director of the Minnesota state historical society regarding the historic fidelity of plans for the capitol building. The standards and policies developed as ~~herein provided~~ shall be under this paragraph are binding upon the commissioner of administration. The provisions of sections 14.02, 14.04 to 14.36, 14.38, and 14.44 to 14.45 ~~shall~~ *do not* apply to this clause.

(i) The board in consultation with the commissioner of administration shall prepare and submit to the legislature and the governor no later than October 1 of each even-numbered year a report on the status of implementation of the comprehensive plan together with a program for capital improvements and site development, and the commissioner of administration shall provide the necessary cost estimates for the program.

(j) The state shall, by the attorney general upon the recommendation of the board and within appropriations available for that purpose, acquire by gift, purchase, or eminent domain proceedings any real property situated in the

area described in this section, and it ~~shall~~ *may* also ~~have the power to~~ acquire an interest less than a fee simple interest in the property, if it finds that ~~it the~~ *the* property is needed for future expansion or beautification of the area.

(k) The board is the successor of the state veterans' service building commission, and as such may adopt rules and may reenact the rules adopted by its predecessor under Laws 1945, chapter 315, and ~~acts amendatory thereof~~ *amendments to it*.

(l) The board shall meet at the call of the chair and at such other times as it may prescribe.

(m) The commissioner of administration shall assign quarters in the state veterans service building to (1) the department of veterans affairs, of which ~~such a part as~~ *that* the commissioner of administration and commissioner of veterans affairs may mutually determine ~~shall must~~ be on the first floor above the ground, and (2) the American Legion, Veterans of Foreign Wars, Disabled American Veterans, Military Order of the Purple Heart, United Spanish War Veterans, and Veterans of World War I, and their auxiliaries, incorporated, or when incorporated, under the laws of the state, and (3) as space becomes available, to ~~such~~ other state departments and agencies as the commissioner may deem desirable.

Sec. 38. Minnesota Statutes 1992, section 16A.128, subdivision 2, is amended to read:

Subd. 2. [NO RULEMAKING.] The kinds of fees that need not be fixed by rule unless specifically required by law are:

(1) fees based on actual direct costs of a service;

(2) one-time fees;

(3) fees that produce insignificant revenues;

(4) fees billed within or between state agencies;

(5) fees exempt from commissioner approval; ~~or~~

(6) fees for admissions to or use of facilities operated by the iron range resources and rehabilitation board, if the fees are set according to prevailing market conditions to recover operating costs; *or*

(7) *fees established by the Minnesota historical society.*

Sec. 39. Minnesota Statutes 1992, section 16A.28, is amended by adding a subdivision to read:

Subd. 6. [EXCEPTIONS.] *Except as provided by law, an appropriation made to the Minnesota historical society, if not spent during the first year, may be spent during the second year of a biennium. An unexpended balance remaining at the end of a biennium lapses and shall be returned to the fund from which appropriated. An appropriation made to the society for all or part of a biennium may be spent in either year of the biennium.*

Sec. 40. Minnesota Statutes 1992, section 16A.72, is amended to read:

16A.72 [INCOME CREDITED TO GENERAL FUND; EXCEPTIONS.]

All income, including fees or receipts of any nature, shall be credited to the general fund, except:

- (1) federal aid;
- (2) contributions, or reimbursements received for any account of any division or department for which an appropriation is made by law;
- (3) income to the University of Minnesota;
- (4) income to revolving funds now established in institutions under the control of the commissioners of corrections or human services;
- (5) investment earnings resulting from the master lease program, except that the amount credited to another fund or account may not exceed the amount of the additional expense incurred by that fund or account through participation in the master lease program;
- (6) receipts from the operation of patients' and inmates' stores and vending machines, which shall be deposited in the social welfare fund in each institution for the benefit of the patients and inmates;
- (7) money received in payment for services of inmate labor employed in the industries carried on in the state correctional facilities which receipts shall be credited to the current expense fund of those facilities;
- (8) as provided in sections 16B.57 and 85.22; ~~or~~
- (9) *income to the Minnesota historical society; or*
- (10) as otherwise provided by law.

Sec. 41. Minnesota Statutes 1992, section 16B.06, subdivision 2a, is amended to read:

Subd. 2a. [EXCEPTION.] The requirements of subdivision 2 do not apply to state contracts distributing state or federal funds pursuant to the federal Economic Dislocation and Worker Adjustment Assistance Act, United States Code, title 29, section 1651 et seq., *or sections 268.9771, 268.978, 268.9781, and 268.9782.* For these contracts, the commissioner of jobs and training is authorized to directly enter into state contracts with approval of the governor's job training council and encumber available funds to ensure a rapid response to the needs of dislocated workers. The commissioner shall adopt internal procedures to administer and monitor funds distributed under these contracts.

Sec. 42. Minnesota Statutes 1992, section 44A.01, subdivision 2, is amended to read:

Subd. 2. [BOARD MEMBERSHIP.] ~~(a)~~ The corporation is governed by a board of directors consisting of:

- (1) ~~six~~ *four* members, representing the international business community, elected to six-year terms by the association of members established under section 4, subdivision 2, clause (5);
- (2) ~~three~~ *four* members, *representing the international business community,* appointed by the governor, ~~with the advice and consent of the senate, to six-year terms serve at the governor's pleasure; and~~
- (3) ~~six legislators appointed under paragraph (b)~~ *the mayor of St. Paul or the mayor's designee; and*

(4) the commissioners of trade and economic development, agriculture, and commerce.

Members appointed by the governor must be knowledgeable or experienced in international trade in products or services.

(b) Legislator members are three members of the senate appointed under the rules of the senate and three members of the house of representatives appointed by the speaker. One member from each house must be appointed from the minority party of that house. Except for the initial members, who are to be appointed following enactment, they are appointed at the beginning of each regular session of the legislature for two-year terms. A legislator who remains a member of the body from which the legislator was appointed may serve until a successor is appointed and qualifies. A vacancy in a legislator member's term is filled for the unexpired portion of the term in the same manner as the original appointment.

Sec. 43. Minnesota Statutes 1992, section 44A.01, subdivision 4, is amended to read:

Subd. 4. [ORGANIZATION.] The board shall elect a chair from the representatives of the international business community appointed by the governor, and an executive committee from its members.

Sec. 44. Minnesota Statutes 1992, section 44A.025, is amended to read:

44A.025 [DUTIES.]

The board shall:

- (1) promote and market the Minnesota world trade center;
- (2) sponsor conferences or other promotional events in the conference and service center;
- (3) adopt bylaws governing operation of the corporation by November 1, 1987;
- (4) establish a Minnesota world trade center club program in accordance with the development agreement;
- (5) conduct public relations and liaison activities between the corporation and the international business community;
- (6) (5) establish and maintain an office in the Minnesota world trade center; and
- (7) (6) not duplicate programs or services provided by the commissioner of trade and economic development, the Minnesota trade division, or the commissioner of agriculture.

Sec. 45. Minnesota Statutes 1992, section 82.21, is amended by adding a subdivision to read:

Subd. 2a. [BROKER PAYMENT CONSOLIDATION.] For all license renewal fees, recovery fund renewal fees, and recovery fund assessments pursuant to this section and section 82.34, the broker must remit the fees or assessments for the company, broker, and all salespersons licensed to the broker, in the form of a single check.

Sec. 46. Minnesota Statutes 1992, section 116J.617, is amended to read:

## 116J.617 [TOURISM LOAN PROGRAM.]

Subdivision 1. [ESTABLISHMENT.] The commissioner may establish a tourism revolving loan program *and a tourism guarantee loan program* to provide loans ~~or~~ participate in loans, *or guarantee loans* to resorts, campgrounds, lodging facilities, and other tourism-related businesses. The commissioner shall work with financial institutions in making or participating in loans *or guaranteeing loans* under this section.

Subd. 2. [ELIGIBLE BORROWER.] To receive a loan under this section, the borrower must be a sole proprietorship, partnership, *or corporation, or other person* engaged in a tourism-related business or other entity that is defined by the standard industrial classification codes of 7011 and 7033 as set out in the Code of Federal Regulations, title 13, section 121.2. An eligible borrower under this section must maintain the business or other entity as a tourism-related entity as defined by this subdivision during the term of the loan. An eligible borrower may not receive a loan *or loan guarantee* under this section if the borrower has received a tourism-related loan, *loan participation, or guarantee* made by the state ~~or participated in by the state~~ in the past ~~three~~ *years 36 months*.

Subd. 3. [ELIGIBLE LOAN.] The maximum loan made or participated in under this section may not be for more than 50 percent of the total cost of the project. Loan proceeds may be used for the following purposes: *acquisition of an existing building*, building construction and improvement, *land site* improvement, equipment, other construction costs, and engineering costs. Project-related expenditures made more than 30 days before an application may not be financed by a loan made, *guaranteed*, or participated in under this section.

Subd. 4. [LOAN TERMS.] The maximum term of a loan made, *guaranteed*, or participated in under this section may not exceed the useful life of the real property or 80 percent of the useful life of the equipment or machinery, or the following limits, whichever is less:

- (1) ten years for land, building, or other real property;
- (2) five years for equipment or machinery; or
- (3) a weighted average of the limits under clauses (1) and (2) for loans made, *guaranteed*, or participated in for a combination of real property and equipment or machinery.

The commissioner may establish interest rates for loans made under this section. All loans made must be secured by collateral.

Subd. 5. [TOURISM LOAN ACCOUNT.] The tourism loan account is created in the special revenue fund. The fund consists of money appropriated or transferred to the account and interest collected through the tourism revolving loan program, and gifts, donations, and bequests made to the account. Money in the account is appropriated to the commissioner for purposes of this section. Fees collected through the tourism revolving loan program must be credited to the general fund.

Subd. 6. [INVESTMENT INTEREST.] *All interest and profits accruing from the investment of money from the tourism loan account are credited to the account, and any loss incurred in the principal of the investments of the account is debited to the account.*

Sec. 47. [116J.65] [YOUTH ENTREPRENEURSHIP EDUCATION PROGRAM.]

*The commissioner of trade and economic development shall establish a youth entrepreneurship education program to improve the academic and entrepreneurial skills of students and aid in their transition from school to business creation. The program shall strengthen local economies by creating jobs that enable citizens to remain in their communities and to foster cooperation among educators, economic development professionals, business leaders, and representatives of labor.*

Sec. 48. [116J.874] [AFFIRMATIVE ENTERPRISE PROGRAM.]

*Subdivision 1. [DEFINITIONS.] (a) The definitions in this subdivision apply to this section.*

*(b) "Business entity" means a sole proprietorship, partnership, limited liability company, or corporation.*

*(c) "Disabled person" means a person with a disability as defined under section 363.01, subdivision 13.*

*(d) "Full-time employee" means an employee who is employed for at least 35 hours per week.*

*Subd. 2. [ESTABLISHMENT.] The commissioner of trade and economic development shall establish the affirmative enterprise program for the purpose of encouraging the full-time employment of disabled persons in areas of economic need. The commissioner shall determine areas of economic need based on present and past levels of unemployment and population loss; and present and past reductions in industrial and business activity.*

*Subd. 3. [ELIGIBILITY.] A business entity is eligible for an affirmative enterprise grant if it meets the following criteria:*

*(1) except in the case of a business entity with fewer than ten employees, it employs at least 25 percent of its full-time employees from persons who are not disabled;*

*(2) it employs at least 50 percent of its full-time employees from disabled persons;*

*(3) it maintains an integrated work force of nondisabled and disabled persons at the highest possible level;*

*(4) every full-time employee has an employee status with all accompanying rights and responsibilities;*

*(5) the following benefits are provided to each full-time employee:*

*(i) paid vacation;*

*(ii) paid holidays;*

*(iii) paid sick leave;*

*(iv) a personalized career plan;*

*(v) retirement with employer participation; and*

*(vi) a copayment health insurance plan;*

(6) a full-time employee selected by all employees of the business entity meets with the business entity's management at least once a month;

(7) each full-time employee is informed of other less restrictive employment when it becomes available;

(8) all full-time employees are required to participate in at least two evaluations per year with accompanying wage adjustments; and

(9) profit sharing based on the business entity's performance is provided to all full-time employees.

Subd. 4. [GRANTS.] Affirmative enterprise grants must be used by the business to provide training and support services to disabled persons in conjunction with economic development.

Subd. 5. [PREFERENCE.] Preference for grant awards must be given to a business entity that: (1) offers ownership options or individual personal improvement plans with employer-sponsored training, has a long-term business plan, and is working collaboratively with the local economic development authority or organization; or (2) has a higher percentage of disabled employees than another eligible entity.

Subd. 6. [EXPIRATION.] This section expires July 1, 1995. By January 1, 1995, the management analysis division of the department of administration shall evaluate the program and if warranted based on outcomes recommend to the legislature a funding source for this program and a state agency to administer the program.

Sec. 49. Minnesota Statutes 1992, section 116J.982, is amended to read:

116J.982 [COMMUNITY DEVELOPMENT CORPORATIONS.]

Subdivision 1. [DEFINITIONS.] For the purposes of this section, the terms in this subdivision have the meanings given them:

(a) "Commissioner" means the commissioner of trade and economic development.

(b) "Economic development region" means an area so designated in the governor's executive order number 60 83-15, dated June 12, 1970, as amended March 15, 1983.

(c) "Federal poverty level" means the income level established by the United States Community Services Administration in Code of Federal Regulations, title 45, section 1060.2-2 published annually by the United States Department of Health and Human Services under authority of the Omnibus Budget Reconciliation Act of 1981, Public Law Number 97-35, title VI, section 673(2).

(d) "Low income" means an annual income below the federal poverty level.

(e) A "low-income area" means an area in which (1) ten percent of the population have low incomes, or (2) there is one or more recognized subareas such as a census tract, city, township, or county in which 15 percent of the population have low incomes.

Subd. 2. [ADMINISTRATION.] The commissioner shall administer this section and shall enforce the rules related to the community development

corporations adopted by the commissioner except for subdivision 6, which shall be administered by the commissioner of housing finance. The ~~commissioner~~ commissioners of trade and economic development and housing finance may amend, suspend, repeal, or otherwise modify these, separately or jointly, adopt rules as provided for in chapter 14 necessary to implement this section.

Subd. 3. [GRANTS CERTIFICATION; CORPORATIONS ELIGIBLE.] (a) The commissioner shall designate certify a community development corporation as eligible to receive grants under this section if the corporation is a nonprofit corporation incorporated under chapter 317A and meets the other criteria in this subdivision.

(b) The corporation, in its articles of incorporation or bylaws, shall must designate a low-income area as the specific geographic community within which it will operate. At least ten percent of the population within the designated community must have low incomes. Within the metropolitan area as defined in section 473.121, subdivision 2 cities of the first class, a designated community must be an identifiable neighborhood or a combination of neighborhoods but may not be the entire city. Outside cities of the first class, a designated community may be an identifiable neighborhood or neighborhoods, or home rule charter or statutory cities, townships, unincorporated areas, or combinations of those entities. Outside the metropolitan area, designated communities, so far as possible, but may not be an entire economic development region nor cross existing economic development region boundaries except as provided in this section. If a proposed geographic area overlaps the designated community of a community development corporation existing before August 1, 1987, the proposed community development corporation shall obtain the written consent of the existing community development corporation before the proposed corporation may be designated as eligible to receive grants under this section.

(c) The corporation's major purpose, in its articles of incorporation or bylaws, must be economic development, redevelopment, or housing in its designated community.

(d) The corporation shall limit voting membership to residents of its designated area must be tax exempt under section 501, paragraph (c), clause (3), of the Internal Revenue Code of 1986, as amended.

(d) (e) The corporation shall have a board of directors with 15 to 30 members unless the corporation can demonstrate to the satisfaction of the commissioner that a smaller or larger board is more advantageous membership and board of directors of the corporation must be representative of the designated community. At least 40 percent of the directors must have incomes that do not exceed 80 percent of the county median family income or 80 percent of the statewide median family income as determined by the state demographer, whichever is less, and the remaining directors must be members of the business or financial community and the community at large. To the greatest extent possible, and At least 20 percent of the directors shall have low incomes or shall reside in low-income areas described in subdivision 1, paragraph (e), clause (1), or the low-income subarea described in subdivision 1, paragraph (e), clause (2). At least 60 percent of, the directors must be residents of the designated community. Directors who meet the income limitations of this paragraph must be elected by the members of the corporation. The remaining directors may be elected by the members or

appointed by the directors who meet the income limitations of this paragraph. Other directors shall be business, financial, or civic leaders or representatives-at-large of the designated community. Notwithstanding the requirements of this paragraph, a corporation which meets board structure requirements for a community housing development corporation under Code of Federal Regulations, title 24, part 92.2, is deemed to meet the board membership requirements of this subdivision.

(e) (f) The corporation shall hire low-income residents of the designated community to fill nonmanagerial and nonprofessional positions shall not discriminate against any persons on the basis of a status protected under chapter 363.

(f) (g) The corporation shall demonstrate that it has or will have can obtain the technical skills to analyze projects, that it is familiar with other available public and private funding sources and economic development, redevelopment, and housing programs, and that it is capable of packaging economic development, redevelopment, and housing projects.

(h) The corporation must have completed two or more economic development, redevelopment, or housing projects within its designated community during the last three years.

Subd. 4. [GRANT APPROVAL FOR PROJECTS CERTIFICATION.] The commissioner shall approve a grant to a community development corporation only for a project carried on within the designated community, except when the corporation demonstrates that a project carried on outside will have a significant impact inside the designated community. The commissioner shall certify as a community development corporation any organization which meets the criteria in subdivision 3. The certification is for two years from the date of certification and is renewable. The commissioner shall certify as a community development corporation for a nonrenewable period of three years from the date of certification an organization which meets all the criteria in subdivision 3; except for paragraphs (d) and (h), but which plans to meet those requirements by the end of the three years.

As part of the certification process, the commissioner shall resolve disputes concerning boundaries of the designated community of a community development corporation.

Subd. 5. [USE OF GRANT GRANTS; ECONOMIC DEVELOPMENT CONTRACTS.] The commissioner may approve make a grant to a community development corporation for planning, including organization of the corporation, training of the directors, creation of a comprehensive community economic development plan, and enter into contracts with certified community development corporations for:

(1) specific economic development projects within the designated community, such as development of a proposal for a venture grant, or for establishment of a business venture, including assistance to an existing business venture, purchase of partial or full ownership of a business venture, real estate development, strategic development planning, infrastructure development, or development of resources or facilities necessary for the establishment of a business venture;

(2) dissemination of information about, or taking applications for, programs operated by the commissioner; and

(3) *developing the internal organizational capacity to engage in economic development activities such as the partnership activities listed in clause (1).*

Subd. 6. [ASSIGNEE HOUSING CONTRACTS.] The commissioner must be named as an assignee of the rights of a state-funded community development corporation on any loan or other evidence of debt provided by a community development corporation to a private enterprise. The assignment of rights must provide that it will be effective upon the dormancy or cessation of existence of the community development corporation. "Dormancy" for the purpose of this section means the continuation of the corporation in name only without any functioning officers or activities. Upon the cessation of the activities of a state-funded community development corporation, any assigned money paid to the commissioner must be deposited in the state treasury and credited to the general fund. The commissioner of the housing finance agency may enter into contracts with certified community development corporations for purposes of housing activities associated with economic development activity under subdivision 5.

Subd. 6a. [SECONDARY MARKET.] A community development corporation may sell, at private or public sale, at the price or prices determined by the corporation, any note, mortgage, lease, sublease, lease purchase, or other instrument or obligation evidencing or securing a loan made for the purpose of economic development, job creation, redevelopment, or community revitalization by a public agency to a business, for-profit or nonprofit organization, or an individual.

Subd. 7. [FACTORS FOR GRANT APPROVAL OTHER PROGRAMS.] Factors considered by the commissioner in approving a grant to a community development corporation must include the creation of employment opportunities, the maximization of profit, and the effect on securing money from sources other than the state. A certified community development corporation is eligible to participate in a program available to nonprofit organizations which is operated by the commissioners of trade and economic development or housing finance if the certified development corporation meets the requirements of the program.

Subd. 7a. [REAL ESTATE LICENSE EXEMPTION.] A certified community development corporation is exempt from the licensure requirements of section 82.20.

Subd. 8. [PROHIBITION.] Grants under this section are not available for programs conducted by churches or religious organizations or for securing or developing social services.

Subd. 9. [NO EXCLUSION.] A person may not be excluded from participation in a program funded under this section because of race, color, religion, sex, age, or national origin.

Sec. 50. [116J.987] [DEFINITIONS.]

Subdivision 1. [APPLICATION.] The definitions in this section apply to sections 116J.987 to 116J.990.

Subd. 2. [BOARD.] "Board" means the board of invention.

Subd. 3. [COMMERCIAL INVENTION.] "Commercial invention" means new and useful processes, machines, manufacturing procedures, or

any new and useful improvements or applications of commercial inventions, regardless of whether or not the invention is patentable.

Subd. 4. [INVENTION.] "Invention" means creative activity resulting in new and potentially useful and applied products or ideas of commercial and social merit. Invention includes commercial and social inventions.

Subd. 5. [SOCIAL INVENTION.] "Social invention" means new procedures, new uses for known procedures, and organizations that change the way in which people relate to their environment or to each other.

Sec. 51. [116J.988] [BOARD OF INVENTION.]

Subdivision 1. [MEMBERSHIP.] The board of invention consists of 11 members appointed by the governor, subject to the advice and consent of the senate. One member must be appointed from each of the congressional districts. The remaining members may be appointed at large.

Subd. 2. [TERMS.] The membership terms, removal, and filling of vacancies of board members are as provided in section 15.0575.

Subd. 3. [CHAIR; OTHER OFFICERS.] The board shall annually elect a chair and other officers as necessary from its members.

Subd. 4. [STAFF.] The board may employ an executive director who is knowledgeable in invention and has demonstrated proficiency in the administration of programs relating to invention. The executive director shall perform the duties that the board may require in carrying out its responsibilities.

Sec. 52. [116J.989] [POWERS.]

Subdivision 1. [CONTRACTS.] The board may enter into contracts and grant agreements necessary to carry out its responsibilities.

Subd. 2. [GIFTS; GRANTS.] The board may apply for, accept, and disburse gifts, grants, or other property from the United States, the state, private foundations, or any other source. It may enter into an agreement required for the gifts or grants and may hold, use, and dispose of its assets in accordance with the terms of the gift, grant, or agreement. Money received by the board under this subdivision must be deposited in the state treasury. The amount deposited is appropriated to the board to carry out its duties.

Sec. 53. [116J.990] [DUTIES.]

Subdivision 1. [GENERAL DUTIES.] The board shall encourage the creation, performance, and appreciation of invention in the state. The board shall investigate and evaluate new methods to enhance invention.

Subd. 2. [GRANT PROGRAM.] The board shall establish an invention grant program to award grants to individuals, nonprofits, or private organizations to encourage the development of both commercial and social inventions.

Subd. 3. [TECHNICAL ASSISTANCE.] The board shall provide information services relating to invention to the general public.

Subd. 4. [COORDINATION.] The board may review all public and private programs relating to invention and innovation.

*Subd. 5. [BUDGET.] The board shall adopt an annual budget and work program.*

*Subd. 6. [REPORT.] The board shall submit a report to the legislature and the governor by January 31 of each year. The report must include a review of invention activities in the state, a review of the board's activities, a listing of grants made under the invention grant program, an evaluation of invention initiatives, and recommendations concerning state support of invention activities.*

*Subd. 7. [STATE FUNDING PROHIBITED.] No state money may be appropriated to the board. The board must utilize private funds and nonstate public money to fund its activities.*

**Sec. 54. [116M.14] [DEFINITIONS.]**

*Subdivision 1. [TERMS.] For the purposes of this chapter, the following terms have the meaning given them.*

*Subd. 2. [BOARD.] "Board" means the urban initiative board.*

*Subd. 3. [COMMISSIONER.] "Commissioner" means the commissioner of trade and economic development.*

*Subd. 4. [LOW-INCOME AREA.] "Low-income area" means Minneapolis, St. Paul, and inner ring suburbs as defined by the metropolitan council that had a median household income below \$31,000 as reported in the 1990 census.*

*Subd. 5. [MINORITY BUSINESS ENTERPRISE.] "Minority business enterprise" means a business that is majority owned and operated by persons belonging to a racial or ethnic minority as defined in Code of Federal Regulations, title 49, section 23.5.*

**Sec. 55. [116M.15] [URBAN INITIATIVE BOARD.]**

*Subdivision 1. [CREATION; MEMBERSHIP.] The urban initiative board is created and consists of the commissioners of trade and economic development and jobs and training, the chair of the metropolitan council, and eight members from the general public appointed by the governor. Six of the public members must be representatives from minority business enterprises. No more than four of the public members may be of one gender. All public members must be experienced in business or economic development.*

*Subd. 2. [MEMBERSHIP TERMS.] The membership terms, compensation, removal, and filling of vacancies of public members of the board are as provided in section 15.0575.*

*Subd. 3. [CHAIR; OTHER OFFICERS.] The commissioner of trade and economic development shall serve as chair of the board. The board may elect other officers as necessary from its members.*

*Subd. 4. [STAFF.] The commissioner of trade and economic development shall provide staff, consultant support, materials, and administrative services necessary for the board's activities. The services must include personnel, budget, payroll, and contract administration.*

**Sec. 56. [116M.16] [POWERS.]**

*Subdivision 1. [CONTRACTS.] The board may enter into contracts and grant agreements necessary to carry out its responsibilities.*

*Subd. 2. [GIFTS; GRANTS; APPROPRIATION.] The board may apply for, accept, and disburse gifts, grants, loans, or other property from the United States, the state, private foundations, or any other source. It may enter into an agreement required for the gifts, grants, or loans and may hold, use, and dispose of its assets in accordance with the terms of the gift, grant, loan, or agreement. Money received by the board under this subdivision must be deposited in a separate account in the state treasury. The amount deposited is appropriated to the board to carry out its duties.*

**Sec. 57. [116M.17] [DUTIES.]**

*Subdivision 1. [GENERAL DUTIES.] The board shall investigate and evaluate methods to enhance urban development, particularly methods relating to economic diversification through minority business enterprises and job creation for minority and other persons in low-income areas. The enterprises shall include, but are not limited to, technologically innovative industries, value-added manufacturing, and information industries.*

*Subd. 2. [TECHNICAL ASSISTANCE.] The board through the department, shall provide technical assistance and development information services to state agencies, regional agencies, special districts, local governments, and the public, with special emphasis on minority communities.*

*Subd. 3. [BUDGET.] The board shall adopt an annual budget and work program and a biennial budget.*

*Subd. 4. [REPORTS.] The board shall submit an annual report to the legislature of an accounting of loans made under section 116M.18, including information on loans to minority business enterprises, the impact on low-income areas, and recommendations concerning minority business development and jobs for persons in low-income areas.*

**Sec. 58. [116M.18] [URBAN CHALLENGE GRANTS PROGRAM.]**

*Subdivision 1. [ELIGIBILITY RULES.] The board shall make urban challenge grants for use in low-income areas to nonprofit corporations to encourage private investment, to provide jobs for minority persons and others in low-income areas, to create and strengthen minority business enterprises, and to promote economic development in a low-income area. The board shall adopt rules to establish criteria for determining loan eligibility.*

*Subd. 2. [CHALLENGE GRANT ELIGIBILITY; NONPROFIT CORPORATION.] The board may enter into agreements with nonprofit corporations to fund loans the nonprofit corporation makes in low-income areas under subdivision 4. A corporation must demonstrate that:*

- (1) its board of directors includes citizens experienced in development, minority business enterprises, and creating jobs in low-income areas;*
- (2) it has the technical skills to analyze projects;*
- (3) it is familiar with other available public and private funding sources and economic development programs;*
- (4) it can initiate and implement economic development projects;*
- (5) it can establish and administer a revolving loan account; and*

(6) it can work with job referral networks which assist minority and other persons in low-income areas.

Subd. 3. [REVOLVING LOAN FUND.] The board shall establish a revolving loan fund to make grants to nonprofit corporations for the purpose of making loans to new and expanding businesses in a low-income area to promote minority business enterprises and job creation for minority and other persons in low-income areas. Eligible business enterprises include, but are not limited to, technologically innovative industries, value-added manufacturing, and information industries. Loan applications given preliminary approval by the nonprofit corporation must be forwarded to the board for approval. The commissioner must give final approval for each loan made by the nonprofit corporation. The amount of a grant may not exceed 50 percent of each loan. The amount of nonstate money must equal at least 50 percent for each loan.

Subd. 4. [BUSINESS LOAN CRITERIA.] (a) The criteria in this subdivision apply to loans made under the urban challenge grant program.

(b) Loans must be made to businesses that are not likely to undertake a project for which loans are sought without assistance from the urban challenge grant program.

(c) A loan must be used for a project designed to benefit persons in low-income areas through the creation of job opportunities for them. Among loan applicants, priority must be given, on the basis of the number of permanent jobs created or retained by the project and the proportion of nonpublic money leveraged by the loan. Priority must also be given for loans to the lowest income areas.

(d) The minimum loan is \$5,000 and the maximum is \$150,000.

(e) With the approval of the commissioner, a loan may be used to provide up to 50 percent of the private investment required to qualify for a grant from the economic recovery account.

(f) A loan must be matched by at least an equal amount of new private investment.

(g) A loan may not be used for a retail development project.

(h) The business must agree to work with job referral networks that focus on minority applicants from low-income areas.

Subd. 5. [REVOLVING FUND ADMINISTRATION; RULES.] (a) The board shall establish a minimum interest rate for loans to ensure that necessary loan administration costs are covered.

(b) Loan repayment amounts equal to one-half of the principal and interest must be deposited in a revolving fund created by the board for challenge grants. The remaining amount of the loan repayment may be deposited in a revolving loan fund created by the nonprofit corporation originating the loan being repaid for further distribution, consistent with the loan criteria specified in subdivision 4.

(c) Administrative expenses of the board may be paid out of the interest earned on loans.

Subd. 6. [RULES.] The board shall adopt rules to implement this section.

*Subd. 7. [COOPERATION.] A nonprofit corporation that receives an urban challenge grant shall cooperate with other organizations, including but not limited to, community development corporations, community action agencies, and the Minnesota small business development centers.*

*Subd. 8. [REPORTING REQUIREMENTS.] A corporation that receives a challenge grant shall:*

*(1) submit an annual report to the board by September 30 of each year that includes a description of projects supported by the urban challenge grant program, an account of loans made during the calendar year, the program's impact on minority business enterprises and job creation for minority persons and persons in low-income areas, the source and amount of money collected and distributed by the urban challenge grant program, the program's assets and liabilities, and an explanation of administrative expenses; and*

*(2) provide for an independent annual audit to be performed in accordance with generally accepted accounting practices and auditing standards and submit a copy of each annual audit report to the board.*

**Sec. 59. [129D.06] [GRANTS TO ARTS ORGANIZATIONS.]**

*Subdivision 1. [STATE ARTS ACCOUNT; APPROPRIATION.] The state arts account consists of amounts credited to it by law. Money in the account is appropriated to the board for annual distribution as follows, after deducting the board's reasonable expenses for administration:*

*(1) 85 percent must be used to fund grants to qualified arts organizations as provided in subdivision 2; and*

*(2) 15 percent must be distributed to the regional arts councils designated by the board through the board acting as a fiscal agent for the regional arts councils.*

*Subd. 2. [GRANTS; AMOUNT.] The board shall make grants to qualified arts organizations. The amount of the grant to each organization is the percentage of the organization's three-year average cash operating expense budget for nonprofit arts activities that, when applied to the three-year nonprofit average cash operating expense budgets of all qualified arts organizations, equals the amount available for distribution from the state arts account under subdivision 1. The board shall require an organization that receives a grant under this section to annually report to the board in the form required by the board the purposes for which the grant was used.*

*As used in this section, "qualified arts organization" means a sponsoring organization as defined in section 129D.01, paragraph (d), that has applied for a grant under this section if the board finds that the organization:*

*(1) has a three-year average cash operating expense budget for nonprofit arts activities of at least \$100,000, as adjusted annually by a consumer price index determined by the board; and*

*(2) is a recipient of a grant from the board or from one of the regional arts councils in the fiscal year in which application is made.*

*Under emergency circumstances as defined by the board, a sponsoring organization may be reevaluated using established review criteria prior to receiving a grant under this section.*

A "qualified arts organization" does not include an organization that receives any proceeds from a tax levy under section 450.25.

**Sec. 60. [138A.01] [LABOR INTERPRETIVE CENTER; BOARD OF DIRECTORS.]**

*Subdivision 1. [ESTABLISHMENT.] The labor interpretive center is a public corporation of the state and is not subject to the laws governing a state agency except as provided in this chapter.*

*Subd. 2. [PURPOSE.] The purpose of the labor interpretive center is to celebrate the contribution of working people to the past, present, and future of Minnesota; to spur an interest among the people of Minnesota in their own family and community traditions of work; to help young people discover their work skills and opportunities for a productive working life; and to advance the teaching of work and labor studies in schools and colleges.*

*Subd. 3. [BOARD OF DIRECTORS.] The center is governed by a board of ten directors. The membership terms, compensation, removal, and filling of vacancies of members of the board are as provided in section 15.0575. Membership of the board consists of:*

- (1) three directors appointed by the governor;*
- (2) one director appointed by the mayor of St. Paul, subject to the approval of the city council;*
- (3) three directors appointed by the speaker of the house of representatives; and*
- (4) three directors appointed by the subcommittee on committees of the senate committee on rules and administration.*

*Directors must be representatives of labor, business, state and local government, local education authorities, and arts groups. The chairs of the senate committee on jobs, energy, and community development and the house of representatives committee on labor-management relations shall serve as nonvoting members.*

*The board shall select a chair of the board from its members, and any other officers of the board deemed necessary.*

*Subd. 4. [LOCATION.] The center must be located in the capital area of St. Paul as defined in section 15.50, subdivision 2, at the site recommended by the capitol area architectural and planning board.*

*Subd. 5. [MEETINGS OF THE BOARD.] The board shall meet at least twice a year and may hold additional meetings upon giving notice. Board meetings are subject to section 471.705.*

*Subd. 6. [CONFLICT OF INTEREST.] A director, employee, or officer of the center may not participate in or vote on a decision of the board relating to a matter in which the director has either a direct or indirect financial interest or a conflict of interest as described in section 10A.07.*

*Subd. 7. [TORT CLAIMS.] The center is a state agency for purposes of section 3.736.*

**Sec. 61. [138A.02] [CENTER PERSONNEL.]**

*Subdivision 1. [GENERALLY.] The board shall appoint an executive director of the center to serve in the unclassified service. The executive director must be chosen on the basis of training, experience, and knowledge in the areas of labor history and the changing world of work. The center shall employ staff, consultants, and other parties necessary to carry out the mission of the center.*

*Subd. 2. [STATUS OF EMPLOYEES.] Employees of the center are executive branch state employees.*

**Sec. 62. [138A.03] [POWERS; DUTIES; BOARD; CENTER.]**

*Subdivision 1. [GENERAL POWERS.] The board has the powers necessary for the care, management, and direction of the center. The powers include: (1) overseeing the planning and construction of the center as funds are available; (2) leasing a temporary facility for the center during development of its organization and program; and (3) establishing advisory groups as needed to advise the board on program, policy, and related issues.*

*Subd. 2. [DUTIES.] The center is a state agency for purposes of the following accounting and budgeting requirements:*

- (1) financial reports and other requirements under section 16A.06;*
- (2) the state budget system under sections 16A.095, 16A.10, and 16A.11;*
- (3) the state allotment and encumbrance, and accounting systems under sections 16A.14, subdivisions 2, 3, 4, and 5; and 16A.15, subdivisions 2 and 3; and*
- (4) indirect costs under section 16A.127.*

*Subd. 3. [PROGRAM.] The board shall appoint a program advisory group to oversee the development of the center's programming. It must consist of representatives of cultural and educational organizations, labor education specialists, and curriculum supervisors in local schools. The program of the center may be implemented through exhibits, performances, seminars, films and multimedia presentations, participatory programs for all ages, and a resource center for teachers. Collaborative program development is encouraged with technical colleges, the Minnesota historical society, and other cultural institutions.*

*Subd. 4. [BOARD OF GOVERNORS.] The board may establish a board of governors to incorporate as a nonprofit organization to receive donations for the center and to serve as honorary advisors to the board of directors.*

**Sec. 63. [138A.04] [LABOR INTERPRETIVE CENTER ACCOUNT.]**

*The Minnesota labor interpretive center account is an account in the special revenue fund. Funds in the account not needed for the immediate purposes of the center may be invested by the state board of investment in any way authorized by section 11A.24. Funds in the account are appropriated to the center to be used as provided in this chapter.*

**Sec. 64. [138A.05] [AUDITS.]**

*The center is subject to the auditing requirements of sections 3.971 and 3.972.*

**Sec. 65. [138A.06] [ANNUAL REPORTS.]**

*The board shall submit annual reports to the legislature on the planning, development, and activities of the center. The board shall supply more frequent reports if requested.*

Sec. 66. Minnesota Statutes 1992, section 216B.62, subdivision 3, is amended to read:

Subd. 3. [ASSESSING ALL PUBLIC UTILITIES.] (a) The department and commission shall quarterly, at least 30 days before the start of each quarter, estimate the total of their expenditures in the performance of their duties relating to (1) public utilities under section 216A.085, and sections 216B.01 to 216B.67, other than amounts chargeable to public utilities under subdivision 2 or 6, and alternative energy engineering activity under section 216C.261. The remainder, except the amount assessed against cooperatives and municipalities for alternative energy engineering activity under subdivision 5, shall be assessed by the commission and department to the several public utilities in proportion to their respective gross operating revenues from retail sales of gas or electric service within the state during the last calendar year. The assessment shall be paid into the state treasury within 30 days after the bill has been mailed to the several public utilities, which shall constitute notice of the assessment and demand of payment thereof. The total amount which may be assessed to the public utilities, under authority of this subdivision, shall not exceed ~~one-eighth~~ one-sixth of one percent of the total gross operating revenues of the public utilities during the calendar year from retail sales of gas or electric service within the state. The assessment for the third quarter of each fiscal year shall be adjusted to compensate for the amount by which actual expenditures by the commission and department for the preceding fiscal year were more or less than the estimated expenditures previously assessed.

Sec. 67. Minnesota Statutes 1992, section 216B.62, subdivision 5, is amended to read:

Subd. 5. [ASSESSING COOPERATIVES AND MUNICIPALS.] The commission and department may charge cooperative electric associations and municipal electric utilities their proportionate share of the expenses incurred in the adjudication of service area disputes and the costs incurred in the adjudication of complaints over service standards, practices, and rates. Cooperative electric associations electing to become subject to rate regulation by the commission pursuant to section 216B.026, subdivision 4, are also subject to this section. Neither a cooperative electric association nor a municipal electric utility is liable for costs and expenses in a calendar year in excess of the limitation on costs that may be assessed against public utilities under subdivision 2. A cooperative electric association or municipal electric utility may object to and appeal bills of the commission and department as provided in subdivision 4.

*The department shall assess cooperatives and municipalities for the costs of alternative energy engineering activities under section 216C.261. Each cooperative and municipality shall be assessed in proportion that its gross operating revenues for the sale of gas and electric service within the state for the last calendar year bears to the total of those revenues for all public utilities, cooperatives, and municipalities.*

Sec. 68. Minnesota Statutes 1992, section 237.295, subdivision 2, is amended to read:

Subd. 2. [ASSESSMENT OF COSTS.] The department and commission shall quarterly, at least 30 days before the start of each quarter, estimate the total of their expenditures in the performance of their duties relating to telephone companies, other than amounts chargeable to telephone companies under subdivision 1 or 5, or 6. The remainder must be assessed by the department to the telephone companies operating in this state in proportion to their respective gross jurisdictional operating revenues during the last calendar year. The assessment must be paid into the state treasury within 30 days after the bill has been mailed to the telephone companies. The bill constitutes notice of the assessment and demand of payment. The total amount that may be assessed to the telephone companies under this subdivision may not exceed one-eighth of one percent of the total gross jurisdictional operating revenues during the calendar year. The assessment for the third quarter of each fiscal year must be adjusted to compensate for the amount by which actual expenditures by the commission and department for the preceding fiscal year were more or less than the estimated expenditures previously assessed. A telephone company with gross jurisdictional operating revenues of less than \$5,000 is exempt from assessments under this subdivision.

Sec. 69. Minnesota Statutes 1992, section 237.295, is amended by adding a subdivision to read:

*Subd. 6. [EXTENDED AREA SERVICE BALLOTING ACCOUNT; APPROPRIATION.] The extended area service balloting account is created as a separate account in the special revenue fund in the state treasury. The commission shall render separate bills to telephone companies only for direct balloting costs incurred by the commission under section 237.161. The bill constitutes notice of the assessment and demand of payment. The amount of a bill assessed by the commission under this subdivision must be paid by the telephone company into the state treasury within 30 days from the date of assessment. Money received under this subdivision must be credited to the extended area service balloting account and is appropriated to the commission.*

Sec. 70. Minnesota Statutes 1992, section 239.011, subdivision 2, is amended to read:

Subd. 2. [DUTIES AND POWERS.] To carry out the responsibilities in section 239.01 and subdivision 1, the director:

(1) shall take charge of, keep, and maintain in good order the standard of weights and measures of the state and keep a seal so formed as to impress, when appropriate, the letters "MINN" and the date of sealing upon the weights and measures that are sealed;

(2) has general supervision of the weights, measures, and weighing and measuring devices offered for sale, sold, or in use in the state;

(3) shall maintain traceability of the state standards to the national standards of the National Institute of Standards and Technology;

(4) shall enforce this chapter;

(5) shall grant variances from department rules, within the limits set by rule, when appropriate to maintain good commercial practices or when enforcement of the rules would cause undue hardship;

(6) shall conduct investigations to ensure compliance with this chapter;

(7) may delegate to division personnel the responsibilities, duties, and powers contained in this section;

(8) shall test annually, and approve when found to be correct, the standards of weights and measures used by the division, by a town, statutory or home rule charter city, or county within the state, or by a person using standards to repair, adjust, or calibrate commercial weights and measures;

(9) shall inspect and test weights and measures kept, offered, or exposed for sale;

(10) shall inspect and test, to ascertain if they are correct, weights and measures commercially used to:

(i) determine the weight, measure, or count of commodities or things sold, offered, or exposed for sale, on the basis of weight, measure, or count; and

(ii) compute the basic charge or payment for services rendered on the basis of weight, measure, or count;

(11) shall approve for use and mark weights and measures that are found to be correct;

(12) shall reject, and mark as rejected, weights and measures that are found to be incorrect and may seize them if those weights and measures:

(i) are not corrected within the time specified by the director;

(ii) are used or disposed of in a manner not specifically authorized by the director; or

(iii) are found to be both incorrect and not capable of being made correct, in which case the director shall condemn those weights and measures;

(13) shall weigh, measure, or inspect packaged commodities kept, offered, or exposed for sale, sold, or in the process of delivery, to determine whether they contain the amount represented and whether they are kept, offered, or exposed for sale in accordance with this chapter and department rules. In carrying out this section, the director must employ recognized sampling procedures, such as those contained in National Institute of Standards and Technology Handbook 133, "Checking the Net Contents of Packaged Goods";

(14) shall prescribe the appropriate term or unit of weight or measure to be used for a specific commodity when an existing term or declaration of quantity does not facilitate value comparisons by consumers, or creates an opportunity for consumer confusion;

(15) shall allow reasonable variations from the stated quantity of contents, including variations caused by loss or gain of moisture during the course of good distribution practice or by unavoidable deviations in good manufacturing practice, only after the commodity has entered commerce within the state;

(16) shall inspect and test petroleum products in accordance with this chapter and chapter 296;

(17) shall distribute and post notices for used motor oil and lead acid battery recycling in accordance with sections 239.54, 325E.11, and 325E.115; and

(18) shall collect inspection fees in accordance with sections 239.10, ~~239.52, and 239.78, and 239.101; and~~

(19) shall provide metrological services and support to businesses and individuals in the United States who wish to market products and services in the member nations of the European Economic Community, and other nations outside of the United States by:

(i) meeting, to the extent practicable, the measurement quality assurance standards described in the International Standards Organization ISO 9000, Guide 25;

(ii) maintaining, to the extent practicable, certification of the metrology laboratory by a governing body appointed by the European Economic Community; and

(iii) providing calibration and consultation services to metrology laboratories in government and private industry in the United States.

Sec. 71. Minnesota Statutes 1992, section 239.10, is amended to read:

**239.10 [ANNUAL INSPECTION; FEE.]**

The department shall charge a fee to the owner for the costs of the regular inspection of scales, weights, measures, and weighing or measuring devices. The cost of any other inspection must be paid by the owner if the inspection is performed at the owner's request or if the inspection is made at the request of some other person and the scale, weight, measure, or weighing or measuring device is found to be incorrect. The department may fix the fees and expenses for regular inspections and special services by rule pursuant to section 16A.128, except that no additional fee may be charged for retail petroleum pumps, petroleum vehicle meters, and petroleum bulk meters that dispense petroleum products for which the petroleum inspection fee required by section 239.78 is collected. Money collected by the department for its regular inspections, special services, fees, and penalties must be paid into the state treasury and credited to the state general fund. The director shall inspect all weights and measures annually, or as often as deemed possible within budget and staff limitations.

**Sec. 72. [239.101] [INSPECTION FEES.]**

**Subdivision 1. [FEE SETTING AND COST RECOVERY.]** The department shall recover the amount appropriated to the weights and measures program through revenue from two separate fee systems under subdivisions 2 and 3, and according to the fee-setting and cost-recovery requirements in subdivisions 4, 5, and 6.

**Subd. 2. [WEIGHTS AND MEASURES FEES.]** The director shall charge a fee to the owner for inspecting and testing weights and measures, providing metrology services and consultation, and providing petroleum quality assurance tests at the request of a licensed distributor. Money collected by the director must be paid into the state treasury and credited to the state general fund.

**Subd. 3. [PETROLEUM INSPECTION FEE.]** A person who owns petroleum products held in storage at a pipeline terminal, river terminal, or refinery shall pay a petroleum inspection fee of 85 cents for every 1,000 gallons sold or withdrawn from the terminal or refinery storage. The commissioner of revenue shall collect the fee. The revenue from the fee must first be applied to cover the amounts appropriated for petroleum product quality inspection expenses, for the inspection and testing of petroleum

product measuring equipment, and for petroleum supply monitoring under chapter 216C.

The commissioner of revenue shall credit a person for inspection fees previously paid in error or for any material exported or sold for export from the state upon filing of a report as prescribed by the commissioner of revenue. The commissioner of revenue may collect the inspection fee along with any taxes due under chapter 296.

Subd. 4. [SETTING WEIGHTS AND MEASURES FEES.] The department shall review its schedule of inspection fees at the end of each six months. When a review indicates that the schedule of inspection fees should be adjusted, the commissioner shall fix the fees by rule, in accordance with section 16A.128, to ensure that the fees charged are sufficient to recover all costs connected with the inspections.

Subd. 5. [SETTING PETROLEUM INSPECTION FEE.] When the department estimates that inspection costs will exceed the revenue from the fee, the commissioner shall notify the commissioner of finance. The commissioner of finance shall then request a fee increase from the legislature.

Subd. 6. [COST RECOVERY REQUIREMENTS.] The cost of inspection activities and services not specified in subdivisions 2 and 3, including related overhead costs, must be equitably apportioned and recovered by the fees.

Sec. 73. Minnesota Statutes 1992, section 239.791, subdivision 6, is amended to read:

Subd. 6. [OXYGENATE RECORDS; SELF AUDITS.] A registered oxygenate blender shall ~~commission an attestation engagement performed by a certified public accountant~~ audit records to investigate demonstrate compliance with this section and with EPA oxygenated fuel requirements. The audit report, including the cumulative record of gasoline oxygenate blends, must be submitted to the director, as prescribed by the director, within 120 days after the end of each carbon monoxide control period.

Sec. 74. Minnesota Statutes 1992, section 239.791, subdivision 8, is amended to read:

Subd. 8. [DISCLOSURE.] A person responsible for the product who delivers, distributes, sells, or offers to sell gasoline in a carbon monoxide control area, during a carbon monoxide control period, shall provide, at the time of delivery, a bill of lading or shipping manifest to the person who receives the gasoline. For oxygenated gasoline, the bill of lading or shipping manifest must include the identity and the volume percentage or gallons of oxygenate included in the gasoline, and it must state: "This fuel contains an oxygenate. Do not blend this fuel with ethanol or with any other oxygenate." For nonoxygenated gasoline, the bill or manifest must state: "This fuel must not be sold at retail or used in a carbon monoxide control area." This subdivision does not apply to sales or transfers of gasoline when the gasoline is dispensed into the supply tanks of motor vehicles.

Sec. 75. Minnesota Statutes 1992, section 239.80, subdivision 1, is amended to read:

Subdivision 1. [VIOLATIONS; ACTIONS OF DEPARTMENT.] The director, or any delegated employee shall use the methods in section 239.75 to

enforce sections 239.10; 239.101, subdivision 3; 239.761; 239.78; 239.79; 239.791; and 239.792.

Sec. 76. Minnesota Statutes 1992, section 239.80, subdivision 2, is amended to read:

Subd. 2. [PENALTY.] A person who fails to comply with any provision of section 239.10; 239.101, subdivision 3; 239.761; 239.78; 239.79; 239.791; or 239.792, is guilty of a misdemeanor.

Sec. 77. Minnesota Statutes 1992, section 257.0755, is amended to read:

257.0755 [OFFICE OF OMBUDSPERSON; CREATION; QUALIFICATIONS; FUNCTION.]

An ombudsperson for families shall be appointed to operate independently but under the auspices of each of the following groups: the Indian Affairs Council, the Spanish-Speaking Affairs Council, the Council on Black Minnesotans, and the Council on Asian-Pacific Minnesotans. Each of these groups shall select its own ombudsperson subject to final approval by the advisory board established under section 257.0768. Each ombudsperson shall serve at the pleasure of the advisory board; shall be in the unclassified service, shall be selected without regard to political affiliation, and shall be a person highly competent and qualified to analyze questions of law, administration, and public policy regarding the protection and placement of children from families of color. In addition, the ombudsperson must be experienced in dealing with communities of color and knowledgeable about the needs of those communities. No individual may serve as ombudsperson while holding any other public office. The ombudsperson shall have the authority to investigate decisions, acts, and other matters of an agency, program, or facility providing protection or placement services to children of color. *Money appropriated for each office of ombudsperson from the general fund or the special fund authorized by section 256.01, subdivision 2, clause (15), is under the control of the office of ombudsperson for which it is appropriated.*

Sec. 78. Minnesota Statutes 1992, section 268.022, subdivision 1, is amended to read:

Subdivision 1. [DETERMINATION AND COLLECTION OF SPECIAL ASSESSMENT.] (a) In addition to all other contributions, assessments, and payment obligations under chapter 268, each employer, except an employer making payments in lieu of contributions under section 268.06, subdivision 25, 26, 27, or 28, is liable for a special assessment levied at the rate of one-tenth of one percent per year on all wages for purposes of the contribution payable under section 268.06, subdivision 2, as defined in section 268.04, subdivision 25. Such assessment shall become due and be paid by each employer to the department of jobs and training on the same schedule and in the same manner as other contributions required by section 268.06.

(b) The special assessment levied under this section shall not affect the computation of any other contributions, assessments, or payment obligations due under this chapter.

(c) *Notwithstanding any provision to the contrary, if on June 30 of any year the unobligated balance of the special assessment fund under this section is greater than \$30,000,000, the special assessment for the following year only shall be levied at a rate of 1/20th of one percent on all wages identified for this purpose under this subdivision.*

Sec. 79. Minnesota Statutes 1992, section 268.022, subdivision 2, is amended to read:

Subd. 2. [DISBURSEMENT OF SPECIAL ASSESSMENT FUNDS.] (a) The money collected under this section shall be deposited in the state treasury and credited to a dedicated fund to provide for the *dislocated worker employment and training* programs established under sections 268.975 to 268.98; including vocational guidance, training, placement, and job development.

(b) All money in the dedicated fund is appropriated to the commissioner who must act as the fiscal agent for the money and must disburse the money for the purposes of this section, not allowing the money to be used for any other obligation of the state. All money in the dedicated fund shall be deposited, administered, and disbursed in the same manner and under the same conditions and requirements as are provided by law for the other dedicated funds in the state treasury, except that all interest or net income resulting from the investment or deposit of money in the fund shall accrue to the fund for the purposes of the fund.

(c) No more than five percent of the dedicated funds collected in each fiscal year may be used by the department of jobs and training for its administrative costs.

(d) *Reimbursement for costs related to collection of the special assessment shall be in an amount negotiated between the commissioner and the United States Department of Labor.*

(e) The dedicated funds, less amounts under ~~paragraph~~ paragraphs (c), ~~must and~~ (d) shall be allocated as follows:

(1) 50 40 percent to be allocated according to paragraph (e) to the substate grantees under subchapter III of the Job Training Partnership Act, United States Code, title 29, section 1661a in proportion to each substate area's share of the federal allocated funds, to be used to assist dislocated workers under the standards in section 268.98;

(2) 50 percent to fund specific programs proposed under the state plan request for proposal process and recommended by the governor's job training council. This fund shall be used for state plan request for proposal programs addressing plant closings or layoffs regardless of size; and

(3) in fiscal years 1991, 1992, and 1993, any amounts transferred to the general fund or obligated before July 1, 1991, shall be excluded from the calculation under this paragraph.

(e) In the event that a substate grantee has obligated 100 percent of its formula allocated federal funds under subchapter III of the Job Training Partnership Act, United States Code, title 29, section 1651 et seq., and has demonstrated appropriate use of the funds to the governor's job training council, the substate grantee may request and the commissioner shall provide additional funds to the substate area in an amount equal to the federal formula allocated funds. When a substate grantee has obligated 100 percent of the additional funds provided under this section, and has demonstrated appropriate use of the funds to the governor's job training council, the substate grantee may request and the commissioner shall provide further additional funds in amounts equal to the federal formula allocated funds until the substate area receives its proportionate share of funds under paragraph (d), clause (1).

(f) By December 31 of each fiscal year each substate grantee and the governor's job training council shall report to the commissioner on the extent to which funds under this section are committed and the anticipated demand for funds for the remainder of the fiscal year. The commissioner shall reallocate those funds that the substate grantees and the council do not anticipate expending for the remainder of the fiscal year to be available for requests from other substate grantees or other dislocated worker projects proposed to the governor's job training council which demonstrate a need for additional funding.

(g) Due to the anticipated quarterly variations in the amounts collected under this section, the amounts allocated under paragraph (d) must be based on collections for each quarter. Any amount collected in the final two quarters of the fiscal year, but not allocated, obligated or expended in the fiscal year, shall be available for allocation, obligation and expenditure in the following fiscal year annually to substate grantees for provision of expeditious response activities under section 268.9771 and worker adjustment services under section 268.9781; and

(2) 60 percent to be allocated to activities and programs authorized under sections 268.975 to 268.98.

(f) Any funds not allocated, obligated, or expended in a fiscal year shall be available for allocation, obligation, and expenditure in the following fiscal year.

Sec. 80. Minnesota Statutes 1992, section 268.361, subdivision 6, is amended to read:

Subd. 6. [TARGETED YOUTH.] "Targeted youth" means *at-risk* persons ~~that who~~ are at least 16 years of age but not older than ~~21~~ 24 years of age, are eligible for the high school graduation incentive program under section 126.22, subdivisions 2 and 2a, or are economically disadvantaged as defined in United States Code, title 29, section 1503, and are part of one of the following groups:

(1) persons who are not attending any school and have not received a secondary school diploma or its equivalent; or

(2) persons currently enrolled in a traditional or alternative school setting or a GED program and who, in the opinion of an official of the school, are in danger of dropping out of the school.

Sec. 81. Minnesota Statutes 1992, section 268.361, subdivision 7, is amended to read:

Subd. 7. [VERY LOW INCOME.] "Very low income" means incomes that are at or less than ~~30~~ 50 percent of the area median income for the Minneapolis-St. Paul metropolitan area, adjusted for family size, as estimated by the department of housing and urban development.

Sec. 82. Minnesota Statutes 1992, section 268.362, is amended to read:

268.362 [GRANTS.]

Subdivision 1. [GENERALLY.] (a) The commissioner shall make grants to eligible organizations for programs to provide education and training services to targeted youth. The purpose of these programs is to provide specialized training and work experience ~~to at-risk~~ for targeted youth who have not been

served effectively by the current educational system. The programs are to include a work experience component with work projects that result in the rehabilitation, improvement, or construction of (1) residential units for the homeless, or (2) education, social service, or health facilities which are owned by a public agency or a private nonprofit organization.

(b) *Eligible facilities must principally provide services to homeless or very low income individuals and families, and include the following:*

- (1) *Head Start or day care centers;*
- (2) *homeless, battered women, or other shelters;*
- (3) *transitional housing;*
- (4) *youth or senior citizen centers; and*
- (5) *community health centers.*

Two or more eligible organizations may jointly apply for a grant. The commissioner shall administer the grant program.

Subd. 2. [GRANT APPLICATIONS; AWARDS.] Interested eligible organizations must apply to the commissioner for the grants. The advisory committee must review the applications and provide to the commissioner a list of recommended eligible organizations that the advisory committee determines meet the requirements for receiving a grant. The total grant award for any program may not exceed ~~\$50,000~~ \$80,000 per year. In awarding grants, the advisory committee and the commissioner must give priority to:

(1) *continuing and expanding effective programs by providing grant money to organizations that are operating or have operated successfully a successful program that meets the program purposes under section 268.364; and*

(2) *distributing programs throughout the state through start-up grants for programs in areas that are not served by an existing program.*

To receive a grant under this section, the eligible organization must match the grant money with at least an equal amount of nonstate money. The commissioner must verify that the eligible organization has matched the grant money. *Nothing in this subdivision shall prevent an eligible organization from applying for and receiving grants for more than one program. A grant received by an eligible organization from the federal Youthbuild Project under United States Code, title 42, section 5091, is nonstate money and may be used to meet the state match requirement. State grant money awarded under this section may be used by grantee organizations for match requirements of a federal Youthbuild Project.*

Sec. 83. Minnesota Statutes 1992, section 268.363, is amended to read:

#### 268.363 [ADVISORY COMMITTEE.]

A 13-member advisory committee is established as provided under section 15.059 to assist the commissioner in selecting eligible organizations to receive ~~planning~~ program grants, evaluating the final reports of each organization, and providing recommendations to the legislature. Members of the committee may be reimbursed for expenses but may not receive any other compensation for service on the committee. The advisory committee consists of representatives of the commissioners of education, human services, and jobs and training; a representative of the chancellor of vocational education; a

representative of the commissioner of the housing finance agency; the director of the office of jobs policy; and seven public members appointed by the governor. Each of the following groups must be represented by a public member *experienced in working with targeted youth*: labor organizations, local educators, community groups, consumers, local housing developers, youth between the ages of 16 and ~~24~~ 24 *who have a period of homelessness*, and *other* homeless persons. At least three of the public members must be from outside of the metropolitan area as defined in section 473.121, subdivision 2. The commissioner may provide staff to the advisory committee to assist it in carrying out its purpose.

Sec. 84. Minnesota Statutes 1992, section 268.364, subdivision 1, is amended to read:

Subdivision 1. [PROGRAM PURPOSE.] The grants awarded under section 268.362 are for a youth employment and training program directed at targeted youth who are likely to be at risk of not completing their high school education. Each program must include education, work experience, and job skills, *and leadership training and peer support components. Each participant must be offered counseling and other services to identify and overcome problems that might interfere with successfully completing the program.*

Sec. 85. Minnesota Statutes 1992, section 268.364, subdivision 3, is amended to read:

Subd. 3. [WORK EXPERIENCE COMPONENT.] A work experience component must be included in each program. The work experience component must provide vocational skills training in an industry where there is a viable expectation of job opportunities *and*. A training subsidy, *living allowance*, or stipend, *not to exceed an amount equal to 100 percent of the poverty line for a family of two as defined in United States Code, title 42, section 673, paragraph (2),* may be provided to program participants. The wage or stipend must be provided to participants who are recipients of public assistance in a manner or amount which will not reduce public assistance benefits. The work experience component must be designed so that work projects result in (1) the expansion or improvement of residential units for homeless persons and very low income families, *and or* (2) *rehabilitation, improvement, or construction of eligible education, social service, or health facilities that principally serve homeless or very low income individuals and families. Any work project must include direct supervision by individuals skilled in each specific vocation. Program participants may earn credits toward the completion of their secondary education from their participation in the work experience component.*

Sec. 86. Minnesota Statutes 1992, section 268.364, is amended by adding a subdivision to read:

Subd. 6. [LEADERSHIP TRAINING AND PEER SUPPORT COMPONENT.] *Each program must provide participants with meaningful opportunities to develop leadership skills such as decision making, problem solving, and negotiating. The program must encourage participants to develop strong peer group ties that support their mutual pursuit of skills and values.*

Sec. 87. Minnesota Statutes 1992, section 268.365, subdivision 2, is amended to read:

Subd. 2. [PRIORITY FOR HOUSING.] Any residential or transitional housing units that become available through the program a work project that is part of the program described in section 268.364 must be allocated in the following order:

- (1) homeless individuals targeted youth who have participated in constructing, rehabilitating, or improving the unit;
- (2) homeless families with at least one dependent;
- (3) other homeless individuals;
- (4) other very low income families and individuals; and
- (5) families or individuals that receive public assistance and that do not qualify in any other priority group.

Sec. 88. Minnesota Statutes 1992, section 268.55, is amended to read:

268.55 [FOOD BANK FOODSHELF PROGRAM.]

Subdivision 1. [DISTRIBUTION OF APPROPRIATION.] The economic opportunity office of the department of jobs and training shall distribute funds appropriated to it by law for that purpose to food banks, as defined in section 31.50, subdivision 1, paragraph (b). A food bank qualifies under this section if it is a nonprofit corporation, or is affiliated with to the Minnesota foodshelf association, a statewide association of foodshelves organized as a nonprofit corporation, as defined under section 501(c)(3) of the Internal Revenue Code of 1986, and distributes food to distribute to qualifying foodshelves. A foodshelf qualifies under this section if:

- (1) it is a nonprofit corporation, or is affiliated with a nonprofit corporation, as defined in section 501(c)(3) of the Internal Revenue Code of 1986;
- (2) it distributes standard food orders without charge to needy individuals. The standard food order must consist of at least a two-day supply or six pounds per person of nutritionally balanced food items;
- (3) it does not limit food distributions to individuals of a particular religious affiliation, race, or other criteria unrelated to need or to requirements necessary to administration of a fair and orderly distribution system;
- (4) it does not use the money received or the food distribution program to foster or advance religious or political views; and
- (5) it has a stable address and directly serves individuals.

Subd. 2. [APPLICATION.] In order to receive money appropriated for food banks under this section, a food bank the Minnesota foodshelf association must apply to the economic opportunity office department of jobs and training. The application must be in a form prescribed by the economic opportunity office and must contain information required by the economic opportunity office to verify that the applicant is a qualifying food bank, and the amount the applicant is entitled to receive under subdivision 3 department of jobs and training and must indicate the proportion of money each qualifying foodshelf shall receive. Applications must be filed at the times and for the periods determined by the economic opportunity office department of jobs and training.

Subd. 3. [DISTRIBUTION FORMULA.] The economic opportunity office Minnesota foodshelf association shall distribute money appropriated distributed to it for by the department of jobs and training to foodshelf programs to qualifying food banks in proportion to the number of individuals served by the each foodshelf programs supplied by the food bank program. The economic opportunity office department of jobs and training shall gather data from applications the Minnesota foodshelf association or other appropriate sources to determine the proportionate amount each qualifying foodshelf program is entitled to receive. The economic opportunity office department of jobs and training may increase or decrease the qualifying food bank's foodshelf program's proportionate amount if it determines the increase or decrease is necessary or appropriate to meet changing needs or demands.

Subd. 4. [USE OF MONEY.] At least 95 96 percent of the money distributed to food banks the Minnesota foodshelf association under this section must be used distributed to foodshelf programs to purchase nutritious food for, transport and coordinate the distribution without charge to qualifying foodshelves serving of nutritious food to needy individuals and families. No more than five four percent of the money may be expended for other expenses, such as rent, salaries, and other administrative expenses of the food banks Minnesota foodshelf association.

Subd. 5. [ENFORCEMENT.] Recipient food banks The Minnesota foodshelf association must retain records documenting expenditure of the money and comply with any additional requirements imposed by the economic opportunity office department of jobs and training. The economic opportunity office department of jobs and training may require a food bank receiving funds under this section the Minnesota foodshelf association to report on its use of the funds. The economic opportunity office department of jobs and training may require that the report contain an independent audit. If ineligible expenditures are made by a food bank the Minnesota foodshelf association, the ineligible amount must be repaid to the economic opportunity office department of jobs and training and deposited in the general fund.

Subd. 6. [ADMINISTRATIVE EXPENSES.] All funds appropriated under this section must be distributed to the Minnesota foodshelf association as provided under this section with deduction by the commissioner for administrative expenses limited to 1.8 percent.

Sec. 89. Minnesota Statutes 1992, section 268.914, subdivision 1, is amended to read:

Subdivision 1. [STATE SUPPLEMENT FOR FEDERAL GRANTEEES.] (a) The commissioner of jobs and training shall distribute money appropriated for that purpose to Head Start program grantees to expand services to additional low-income children. Money must be allocated to each project Head Start grantee in existence on the effective date of Laws 1989, chapter 282. Migrant and Indian reservation grantees must be initially allocated money based on the grantees' share of federal funds. The remaining money must be initially allocated to the remaining local agencies based equally on the agencies' share of federal funds and on the proportion of eligible children in the agencies' service area who are not currently being served. A Head Start grantee must be funded at a per child rate equal to its contracted, federally funded base level for program accounts 20 to 26 at the start of the fiscal year. In allocating funds under this paragraph, the commissioner of jobs and training must assure that each Head Start grantee is allocated no less funding in any fiscal year than

was allocated to that grantee in fiscal year 1993. The commissioner may provide additional funding to grantees for start-up costs incurred by grantees due to the increased number of children to be served. Before paying money to the grantees, the commissioner shall notify each grantee of its initial allocation, how the money must be used, and the number of low-income children that must be served with the allocation. Each grantee must notify the commissioner of the number of additional low-income children it will be able to serve. For any grantee that cannot serve additional children to its full allocation, the commissioner shall reduce the allocation proportionately. Money available after the initial allocations are reduced must be redistributed to eligible grantees.

(b) Up to 11 percent of the funds appropriated annually may be used to provide grants to local head start agencies to provide funds for innovative programs designed either to target Head Start resources to particular at-risk groups of children or to provide services in addition to those currently allowable under federal head start regulations. The commissioner shall award funds for innovative programs under this paragraph on a competitive basis.

Sec. 90. [268.92] [LEAD ABATEMENT PROGRAM.]

*Subdivision 1. [DEFINITIONS.] For the purposes of this section, the following terms have the meanings given them.*

(a) "Certified worker" means a lead abatement worker certified by the commissioner of health under section 144.878, subdivision 5.

(b) "Certified trainer" means a lead trainer certified by the commissioner of health under section 144.878, subdivision 5.

(c) "Certified worker" means a lead abatement worker certified by the commissioner of health under section 144.878, subdivision 5.

(d) "Commissioner" means the commissioner of jobs and training.

(e) "Eligible organization" means a licensed contractor, certified trainer, city, board of health, community health department, community action agency as defined in section 268.52, or community development corporation.

(f) "High risk for toxic lead exposure" has the meaning given in section 144.871, subdivision 7a.

(g) "Licensed contractor" means a contractor licensed by the department of health under section 144.876.

(h) "Removal and replacement abatement" means lead abatement on residential property that requires retrofitting and conforms to the rules established under section 144.878.

(i) "Swab team" has the meaning given in section 144.871, subdivision 9.

*Subd. 2. [GRANTS; ADMINISTRATION.] Within the limits of the available appropriation, the commissioner may make demonstration and training grants to eligible organizations for programs to train workers for swab teams and removal and replacement abatement, and to provide swab team services and removal and replacement abatement for residential property.*

*Grants awarded under this section must be made in consultation with the commissioners of the department of health, and the housing finance agency,*

and representatives of neighborhood groups from areas at high risk for toxic lead exposure, a labor organization, the lead coalition, community action agencies, and the legal aid society. The consulting team shall review grant applications and recommend awards to eligible organizations that meet requirements for receiving a grant under this section.

Subd. 3. [APPLICANTS.] (a) Interested eligible organizations may apply to the commissioner for grants under this section. Two or more eligible organizations may jointly apply for a grant. Priority shall be given to community action agencies in greater Minnesota and to either community action agencies or neighborhood based nonprofit organizations in cities of the first class. 3.75 percent of the total allocation may be used for administrative costs. Applications must provide information requested by the commissioner, including at least the information required to assess the factors listed in paragraph (d).

(b) The commissioner of jobs and training shall coordinate with the commissioner of health and local boards of health to provide swab team services. Swab teams, administered by the commissioner of jobs and training, that are not engaged daily in fulfilling the requirements of section 144.872, subdivision 5, must deliver swab team services in census tracts known to be at high risk for toxic lead exposure.

(c) Any additional grants shall be made to establish swab teams for primary prevention, without environmental lead testing, in census tracts at high risk for toxic lead exposure.

(d) In evaluating grant applications, the commissioner shall consider the following criteria:

(1) the use of licensed contractors and certified lead abatement workers for residential lead abatement;

(2) the participation of neighborhood groups and individuals, as swab team members, in areas at high risk for toxic lead exposure;

(3) plans for the provision of primary prevention through swab team services in areas at high risk for toxic lead exposure on a census tract basis without environmental lead testing;

(4) plans for supervision, training, career development, and postprogram placement of swab team members;

(5) plans for resident and property owner education on lead safety;

(6) plans for distributing cleaning supplies to area residents and educating residents and property owners on cleaning techniques;

(7) cost estimates for training, swab team services, equipment, monitoring, and administration;

(8) measures of program effectiveness; and

(9) coordination of program activities with other federal, state, and local public health, job training, apprenticeship, and housing renovation programs including the emergency jobs program under sections 268.672 to 268.881.

Subd. 4. [LEAD ABATEMENT CONTRACTORS.] (a) Eligible organizations and licensed lead abatement contractors may participate in the lead abatement program. An organization receiving a grant under this section must

assure that all participating contractors are licensed and that all swab team, and removal and replacement employees are certified by the department of health under section 144.878, subdivision 5. Organizations and licensed contractors may distinguish between interior and exterior services in assigning duties and may participate in the program by:

- (1) providing on-the-job training for swab teams;
  - (2) providing swab team services to meet the requirements of section 144.872;
  - (3) providing removal and replacement abatement using skilled craft workers;
  - (4) providing primary prevention, without environmental lead testing, in census tracts at high risk for toxic lead exposure;
  - (5) providing lead dust cleaning supplies, as described in section 144.872, subdivision 4, to residents; or
  - (6) instructing residents and property owners on appropriate lead control techniques.
- (b) Participating licensed contractors must:
- (1) demonstrate proof of workers' compensation and general liability insurance coverage;
  - (2) be knowledgeable about lead abatement requirements established by the department of housing and urban development and the occupational safety and health administration;
  - (3) demonstrate experience with on-the-job training programs;
  - (4) demonstrate an ability to recruit employees from areas at high risk for toxic lead exposure; and
  - (5) demonstrate experience in working with low-income clients.

**Subd. 5. [LEAD ABATEMENT EMPLOYEES.]** Each worker engaged in swab team services or removal and replacement abatement in programs established under this section must have blood lead concentrations below 15 micrograms per deciliter as determined by a baseline blood lead screening. Any organization receiving a grant under this section is responsible for lead screening and must assure that all workers in lead abatement programs, receiving grant funds under this section, meet the standards established in this subdivision. Grantees must use appropriate workplace procedures to reduce risk of elevated blood lead levels. Grantees and participating contractors must report all employee blood lead levels that exceed 15 micrograms per deciliter to the commissioner of health.

**Subd. 6. [ON-THE-JOB TRAINING COMPONENT.]** (a) Programs established under this section must provide on-the-job training for swab teams. Training methods must follow procedures established under section 144.878, subdivision 5.

(b) Swab team members must receive monetary compensation equal to the prevailing wage as defined in section 177.42, subdivision 6, for comparable jobs in the licensed contractor's principal business.

*Subd. 7. [REMOVAL AND REPLACEMENT COMPONENT.] (a) Within the limits of the available appropriation, programs may be established if a need is identified for removal and replacement abatement in residential properties. All removal and replacement abatement must be done using least-cost methods that meet the standards of section 144.878, subdivision 2. Removal and replacement abatement must be done by licensed lead abatement contractors. All craft work that requires a state license must be supervised by a person with a state license in the craft work being supervised.*

*(b) The program design must:*

*(1) identify the need for trained swab team workers and removal and replacement abatement workers;*

*(2) describe plans to involve appropriate groups in designing methods to meet the need for trained lead abatement workers; and*

*(3) include an examination of how program participants may achieve certification as a part of the work experience and training component. Certification may be achieved through licensing, apprenticeship, or other education programs.*

*Subd. 8. [PROGRAM BENEFITS.] As a condition of providing lead abatement under this section, an organization may require a property owner to not increase rents on a property solely as a result of a substantial improvement made with public funds under the programs in this section.*

*Subd. 9. [REQUIREMENTS OF ORGANIZATIONS RECEIVING GRANTS.] An eligible organization that is awarded a training and demonstration grant under this section shall prepare and submit a quarterly progress report to the commissioner beginning three months after receipt of the grant.*

*Subd. 10. [REPORT.] Beginning in the year in which an appropriation is received, the commissioner shall prepare and submit a lead abatement program report to the legislature and the governor by December 31, and every two years thereafter. At a minimum, the report must describe the programs that received grants under this section, and make recommendations for program changes.*

*Sec. 91. Minnesota Statutes 1992, section 268.975, subdivision 3, is amended to read:*

*Subd. 3. [DISLOCATED WORKER.] "Dislocated worker" means an individual who is a resident of Minnesota at the time employment ceased or was working in the state at the time employment ceased and:*

*(1) has been terminated or who has received a notice of termination from public or private sector employment, is eligible for or has exhausted entitlement to unemployment compensation, and is unlikely to return to the previous industry or occupation;*

*(2) has been terminated or has received a notice of termination of employment as a result of any plant closing or any substantial layoff at a plant, facility, or enterprise;*

*(3) has been long-term unemployed and has limited opportunities for employment or reemployment in the same or a similar occupation in the area in which the individual resides, including older individuals who may have substantial barriers to employment by reason of age; or*

(4) has been self-employed, including farmers and ranchers, and is unemployed as a result of general economic conditions in the community in which the individual resides or because of natural disasters, subject to rules to be adopted by the commissioner; or

(5) has been terminated or who has received a notice of termination from employment with a public or nonprofit employer.

A dislocated worker must have been working in Minnesota at the time employment ceased.

Sec. 92. Minnesota Statutes 1992, section 268.975, subdivision 4, is amended to read:

Subd. 4. [ELIGIBLE ORGANIZATION.] "Eligible organization" means a local government unit, nonprofit organization, community action agency, business organization or association, or labor organization that has applied for a feasibility grant under section 268.978.

Sec. 93. Minnesota Statutes 1992, section 268.975, subdivision 6, is amended to read:

Subd. 6. [PLANT CLOSING.] "Plant closing" means the announced or actual permanent or temporary shutdown of a single site of employment, or one or more facilities or operating units within a single site of employment, if the shutdown results in an employment loss at the single site of employment during any 30-day period for (a) 50 or more employees excluding employees who work less than 20 hours per week; or (b) at least 500 employees who in the aggregate work at least 20,000 hours per week, exclusive of hours of overtime.

Sec. 94. Minnesota Statutes 1992, section 268.975, subdivision 7, is amended to read:

Subd. 7. [PREFEASIBILITY STUDY GRANT; GRANT.] "Prefeasibility study grant" or "grant" means the grant awarded under section 268.978.

Sec. 95. Minnesota Statutes 1992, section 268.975, subdivision 8, is amended to read:

Subd. 8. [SUBSTANTIAL LAYOFF.] "Substantial layoff" means a permanent reduction in the work force, which is not a result of a plant closing, and which results in an employment loss at a single site of employment during any 30-day period for (a) at least 50 employees excluding those employees that work less than 20 hours a week; or (b) at least 500 employees who in the aggregate work at least 20,000 hours per week, exclusive of hours of overtime.

Sec. 96. Minnesota Statutes 1992, section 268.975, is amended by adding a subdivision to read:

Subd. 9. [SUBSTATE GRANTEE.] "Substate grantee" means the agency or organization designated to administer at the local level federal dislocated worker programs pursuant to the federal Job Training Partnership Act, United States Code, title 29, section 1501, et seq.

Sec. 97. Minnesota Statutes 1992, section 268.975, is amended by adding a subdivision to read:

*Subd. 10. [WORKER ADJUSTMENT SERVICES.] "Worker adjustment services" means the array of employment and training services designed to assist dislocated workers make the transition to new employment, including basic readjustment assistance, training assistance, and support services.*

Sec. 98. Minnesota Statutes 1992, section 268.975, is amended by adding a subdivision to read:

*Subd. 11. [BASIC READJUSTMENT ASSISTANCE.] "Basic readjustment assistance" means employment transition services that include, but are not limited to: development of individual readjustment plans for participants; outreach and intake; early readjustment; job or career counseling; testing; orientation; assessment, including evaluation of educational attainment and participant interests and aptitudes; determination of occupational skills; provision of occupational information; job placement assistance; labor market information; job clubs; job search; job development; prelayoff assistance; relocation assistance; and programs conducted in cooperation with employers or labor organizations to provide early intervention in the event of plant closings or substantial layoffs.*

Sec. 99. Minnesota Statutes 1992, section 268.975, is amended by adding a subdivision to read:

*Subd. 12. [TRAINING ASSISTANCE.] "Training assistance" means services that will enable a dislocated worker to become reemployed by retraining for a new occupation or industry, enhancing current skills, or relocating to employ existing skills. Training services include, but are not limited to: classroom training; occupational skill training; on-the-job training; out-of-area job search; relocation; basic and remedial education; literacy and English for training non-English speakers; entrepreneurial training; and other appropriate training activities directly related to appropriate employment opportunities in the local labor market.*

Sec. 100. Minnesota Statutes 1992, section 268.975, is amended by adding a subdivision to read:

*Subd. 13. [SUPPORT SERVICES.] "Support services" means assistance provided to dislocated workers to enable their participation in an employment transition and training program. Services include, but are not limited to: family care assistance, including child care; commuting assistance; housing and rental assistance; counseling assistance, including personal and financial; health care; emergency health assistance; emergency financial assistance; work-related tools and clothing; and other appropriate support services that enable a person to participate in an employment and training program.*

Sec. 101. [268.9755] [GOVERNOR'S JOB TRAINING COUNCIL.]

*Subdivision 1. [DEFINITION.] For purposes of sections 268.022 and 268.975 to 268.98, "governor's job training council" means the state job training coordinating council established under the federal Job Training Partnership Act, United States Code, title 29, section 1501, et seq.*

*Subd. 2. [DUTIES.] The governor's job training council shall provide advice to the commissioner on:*

*(1) the use of funds made available under section 268.022, including methods for allocation and reallocation of funds and the allocation of funds*

*among employment and training activities authorized under sections 268.975 to 268.98;*

*(2) performance standards for programs and activities authorized under sections 268.975 to 268.98;*

*(3) approval of worker adjustment services plans and dislocation event services grants;*

*(4) establishing priorities for provision of worker adjustment services to eligible dislocated workers; and*

*(5) the effectiveness of programs and activities authorized in sections 268.975 to 268.98.*

Sec. 102. Minnesota Statutes 1992, section 268.976, subdivision 2, is amended to read:

Subd. 2. [NOTICE.] (a) The commissioner shall encourage those business establishments considering a decision to effect a plant closing, substantial layoff, or relocation of operations located in this state to give notice of that decision as early as possible to the commissioner, the employees of the affected establishment, any employee organization representing the employees, and the local government unit in which the affected establishment is located. This notice shall be in addition to any notice required under the Worker Adjustment and Retraining Notification Act, United States Code, title 29, section 2101.

(b) Notwithstanding section 268.975, subdivision 6, for purposes of this section, "plant closing" means the announced or actual permanent or temporary shutdown of a single site of employment, or one or more facilities or operating units within a single site of employment, if the shutdown results in an employment loss at the single site of employment during any 30-day period for 50 or more employees excluding employees who work less than 20 hours per week.

Sec. 103. [268.9771] [RAPID AND EXPEDITIOUS RESPONSE.]

Subdivision 1. [RESPONSIBILITY.] The commissioner shall respond quickly and effectively to announced or actual plant closings and substantial layoffs. Affected workers and employers, as well as appropriate business organizations or associations, labor organizations, substate grantees, state and local government units, and community organizations shall be assisted by the commissioner through either rapid response activities or expeditious response activities as described in this section to respond effectively to a plant closing or mass layoff.

Subd. 2. [COVERAGE.] Rapid response is to be provided by the commissioner where permanent plant closings or substantial layoffs affect at least 50 workers over a 30-day period as evidenced by actual separation from employment or by advance notification of a closing or layoff. Expeditious response is to be provided by worker adjustment services plan grantees in coordination with rapid response activities or where permanent plant closings and substantial layoffs are not otherwise covered by rapid response.

Subd. 3. [COORDINATION.] The commissioner and expeditious response grantees shall coordinate their respective rapid response and expeditious response activities. The roles and responsibilities of each shall be detailed in written agreements and address on-site contact with employer and employee

representatives when notified of a plant closing or substantial layoff. The activities include formation of a community task force, collecting and disseminating information related to economic dislocation and available services to dislocated workers, providing basic readjustment assistance services to workers affected by a plant closure or substantial layoff, conducting a needs assessment survey of workers, and developing a plan of action responsive to the worker adjustment services needs of affected workers.

Subd. 4. [RAPID RESPONSE ACTIVITIES.] The commissioner shall be responsible for implementing the following rapid response activities:

(1) establishing on-site contact with employer and employee representatives within a short period of time after becoming aware of a current or projected plant closing or substantial layoff in order to:

(i) provide information on and facilitate access to available public programs and services; and

(ii) provide emergency assistance adapted to the particular closure or layoff;

(2) promoting the formation of a labor-management committee by providing:

(i) immediate assistance in the establishment of the labor-management committee;

(ii) technical advice and information on sources of assistance, and liaison with other public and private services and programs; and

(iii) assistance in the selection of worker representatives in the event no union is present;

(3) collecting and disseminating information related to economic dislocation, including potential closings or layoffs, and all available resources with the state for dislocated workers;

(4) providing or obtaining appropriate financial and technical advice and liaison with economic development agencies and other organizations to assist in effort to avert dislocations;

(5) disseminating information throughout the state on the availability of services and activities carried out by the dislocated worker unit;

(6) assisting the local community in developing its own coordinated response to a plant closing or substantial layoff and access to state economic development assistance; and

(7) promoting the use of prefeasibility study grants under section 268.978.

Subd. 5. [EXPEDITIOUS RESPONSE ACTIVITIES.] Grantees designated to provide worker adjustment services through worker adjustment services plans shall be responsible for implementing the following expeditious response activities:

(1) establishing on-site contact with employer and employee representatives, not otherwise covered under rapid response, within a short period of time after becoming aware of a current or projected plant closing or mass layoff in order to provide information on available public programs and services;

(2) *obtaining appropriate financial and technical advice and liaison with local economic development agencies and other organizations to assist in efforts to avert dislocations;*

(3) *disseminating information on the availability of services and activities carried out by the grantee through its worker adjustment services plan;*

(4) *providing basic readjustment assistance services for up to 90 days following the initial on-site meeting with the employer and employee representatives;*

(5) *assisting the local community in the development of its own coordinated response to the closure or layoff and access to economic development assistance;*

(6) *facilitating the formation of a community task force, if appropriate, to formulate a service plan to assist affected dislocated workers from plant closings and mass layoffs;*

(7) *conducting surveys of workers, if appropriate, affected by plant closings or layoffs to identify worker characteristics and worker adjustment service needs; and*

(8) *facilitating access to available public or private programs and services, including the development of proposals to provide access to additional resources to assist workers affected by plant closings and substantial layoffs.*

Sec. 104. Minnesota Statutes 1992, section 268.978, subdivision 1, is amended to read:

Subdivision 1. [PREFEASIBILITY STUDY GRANTS.] (a) The commissioner may make grants for up to \$10,000 \$15,000 to eligible organizations to provide an initial assessment of the feasibility of alternatives to plant closings or substantial layoffs. The alternatives may include employee ownership, other new ownership, new products or production processes, or public financial or technical assistance to keep a plant open. Two or more eligible organizations may jointly apply for a grant under this section.

(b) Interested organizations shall apply to the commissioner for the grants. As part of the application process, applicants must provide a statement of need for a grant, information relating to the work force at the plant, the area's unemployment rate, the community's and surrounding area's labor market characteristics, information of efforts to coordinate the community's response to the plant closing or substantial layoff, a timetable of the prefeasibility study, a description of the organization applying for the grant, a description of the qualifications of persons conducting the study, and other information required by the commissioner.

(c) The commissioner shall respond to the applicant within five working days of receiving the organization's application. The commissioner shall inform each organization that applied for but did not receive a grant the reasons for the grant not being awarded. The commissioner may request further information from those organizations that did not receive a grant, and the organization may reapply for the grant.

Sec. 105. [268.9781] [WORKER ADJUSTMENT SERVICES PLANS.]

Subdivision 1. [WORKER ADJUSTMENT SERVICES PLANS.] *The commissioner shall establish and fund worker adjustment services plans that*

are designed to assist dislocated workers in their transition to new employment. Authorized grantees shall submit a worker adjustment services plan biennially, with an annual update, in a form and manner prescribed by the commissioner. The worker adjustment services plan shall include information required in substate plans established under the federal Job Training Partnership Act, United States Code, title 29, section 1501, et seq. and a detailed description of expeditious response activities to be implemented under the plan.

Subd. 2. [GRANTEES.] Entities authorized to submit a worker adjustment services plan include substate grantees and up to six additional eligible organizations. Criteria for selecting the six authorized nonsubstate grantee eligible organizations shall be established by the commissioner, in consultation with the governor's job training council. The criteria include, but are not limited to:

- (1) the capacity to deliver worker adjustment services;
- (2) an identifiable constituency from which eligible dislocated workers may be drawn;
- (3) a demonstration of a good faith effort to establish coordination agreements with substate grantees in whose geographic area the organization would be operating;
- (4) the capability to coordinate delivery of worker adjustment services with other appropriate programs and agencies, including educational institutions, employment service, human service agencies, and economic development agencies; and
- (5) sufficient administrative controls to ensure fiscal accountability.

Subd. 3. [COVERAGE.] (a) Persons eligible to receive worker adjustment services under this section include dislocated workers as defined in section 268.975, subdivision 3.

(b) Worker adjustment services available under this section shall also be available to additional dislocated workers as defined in section 268.975, subdivision 3a, when they can be provided without adversely affecting delivery of services to all dislocated workers.

Subd. 4. [SUBSTATE GRANTEE FUNDING.] (a) Funds allocated to substate grantees under section 268.022 for expeditious response activities and worker adjustment services under this section shall be allocated as follows:

(1) one-half of available funds shall be allocated to substate grantees based on an allocation formula prescribed by the commissioner, in consultation with the governor's job training council; and

(2) one-half of available funds shall be allocated based on need as demonstrated to the commissioner in consultation with the governor's job training council.

(b) The formula for allocating substate grantee funds must utilize the most appropriate information available to the commissioner to distribute funds in order to address the state's worker adjustment assistance needs. Information for the formula allocation may include, but is not limited to:

- (1) insured unemployment data;
- (2) dislocated worker special assessment receipts data;
- (3) small plant closing data;
- (4) declining industries data;
- (5) farmer-rancher economic hardship data; and
- (6) long-term unemployment data.

(c) The commissioner shall establish a uniform procedure for reallocating substate grantee funds. The criteria for reallocating funds from substate grantees not expending their allocations consistent with their worker adjustment services plans to other substate grantees shall be developed by the commissioner in consultation with the governor's job training council.

Sec. 106. [268.9782] [DISLOCATION EVENT SERVICES GRANTS.]

Subdivision 1. [DISLOCATION EVENT SERVICES GRANTS.] The commissioner shall establish and fund dislocation event services grants designed to provide worker adjustment services to workers displaced as a result of larger plant closings and substantial layoffs. Grantees shall apply for a dislocation event services grant by submitting a proposal to the commissioner in a form and manner prescribed by the commissioner. The application must describe the demonstrated need for intervention, including the need for retraining, the workers to be served, the coordination of available local resources, the services to be provided, and the budget plan.

Subd. 2. [GRANTEES.] (a) Entities authorized to submit dislocation event services grants include substate grantees and other eligible organizations. Nonsubstate grantees shall demonstrate they meet criteria established by the commissioner, in consultation with the governor's job training council. The criteria include, but are not limited to:

- (1) the capacity to deliver worker adjustment services;
- (2) an ability to coordinate its activities with substate grantees in whose geographic area the organization will be operating;
- (3) the capability to coordinate delivery of worker adjustment services with other appropriate programs and agencies, including educational institutions, employment service, human service agencies, and economic development agencies; and
- (4) sufficient administrative controls to ensure fiscal accountability.

(b) For purposes of this section, the state job service may apply directly to the commissioner for a dislocation event services grant only if the effect of a plant closing or substantial layoff is statewide or results in the termination from employment of employees of the state of Minnesota.

Subd. 3. [COVERAGE.] Persons who may receive worker adjustment services under this section are limited to dislocated workers affected by plant closings and substantial layoffs involving at least 50 workers from a single employer.

Subd. 4. [FUNDING.] The commissioner, in consultation with the governor's job training council, may establish an emergency funding process for dislocation event services grants. No more than 20 percent of the estimated

*budget of the proposed grant may be awarded through this procedure. The grantee shall submit a formal dislocation event services grant application within 90 days of the initial award of emergency funding.*

Sec. 107. Minnesota Statutes 1992, section 268.98, is amended to read:

**268.98 [PERFORMANCE STANDARDS, REPORTING, COST LIMITATIONS.]**

(a) *Subdivision 1. [PERFORMANCE STANDARDS.]* The commissioner shall establish performance standards for the programs and activities administered or funded through the rapid response program under section 268.977 sections 268.975 to 268.98. The commissioner may use, when appropriate, existing federal performance standards or, if the commissioner determines that the federal standards are inadequate or not suitable, may formulate new performance standards to ensure that the programs and activities of the rapid response program dislocated worker program are effectively administered.

(b) Not less than 20 percent of the funds expended under this section must be used to provide needs-related payments and other supportive services as those terms are used in subchapter III of the Job Training Partnership Act, United States Code, title 29, section 1661d(b). This requirement does not apply to the extent that a program proposal requests less than 20 percent of such funds. At the end of the fiscal year, each substate grantee and each grant recipient shall report to the commissioner on the types of services funded under this paragraph and the amounts expended for such services. By January 15 of each year, the commissioner shall provide a summary report to the legislature.

*Subd. 2. [REPORTS.]* (a) Grantees receiving funds under sections 268.9771, 268.978, 268.9781, and 268.9782 shall report to the commissioner information on program participants, activities funded, and utilization of funds in a form and manner prescribed by the commissioner.

(b) The commissioner shall report quarterly to the governor's job training council information on prefeasibility study grants awarded, rapid response and expeditious response activities, worker adjustment services plans, and dislocation event services grants. Specific information to be reported shall be by agreement between the commissioner and the governor's job training council.

(c) The commissioner shall provide an annual report to the governor, legislature, and the governor's job training council on the administration of the programs funded under sections 268.9771, 268.978, 268.9781, and 268.9782.

*Subd. 3. [COST LIMITATIONS.]* (a) For purposes of sections 268.9781 and 268.9782, funds allocated to a grantee are subject to the following limitations:

(1) a maximum of 15 percent for administration in a worker adjustment services plan and ten percent in a dislocation event services grant;

(2) a minimum of 50 percent for provision of training assistance;

(3) a minimum of ten percent and maximum of 30 percent for provision of support services; and

(4) the balance used for provision of basic readjustment assistance.

*(b) A waiver of the cost limitation on providing training assistance may be requested. The waiver may not permit less than 30 percent of the funds be spent on training assistance.*

*(c) The commissioner shall prescribe the form and manner for submission of an application for a waiver under paragraph (b). Criteria for granting a waiver shall be established by the commissioner in consultation with the governor's job training council.*

Sec. 108. Minnesota Statutes 1992, section 298.2211, subdivision 3, is amended to read:

Subd. 3. [PROJECT APPROVAL.] All projects authorized by this section shall be submitted by the commissioner to the iron range resources and rehabilitation board, which shall recommend approval or disapproval or modification of the projects. ~~Each project shall then be submitted to the legislative advisory committee for any review and comment the committee deems appropriate.~~ Prior to the commencement of a project involving the exercise by the commissioner of any authority of sections 469.174 to 469.179, the governing body of each municipality in which any part of the project is located and the county board of any county containing portions of the project not located in an incorporated area shall by majority vote approve or disapprove the project. Any project, as so approved by the board and the applicable governing bodies, if any, together with ~~any comment provided by the legislative advisory committee,~~ detailed information concerning the project, its costs, the sources of its funding, and the amount of any bonded indebtedness to be incurred in connection with the project, shall be transmitted to the governor, who shall approve, disapprove, or return the proposal for additional consideration within 30 days of receipt. No project authorized under this section shall be undertaken, and no obligations shall be issued and no tax increments shall be expended for a project authorized under this section until the project has been approved by the governor.

Sec. 109. Minnesota Statutes 1992, section 298.2213, subdivision 4, is amended to read:

Subd. 4. [PROJECT APPROVAL.] The board shall by August 1, 1987, and each year thereafter prepare a list of projects to be funded from the money appropriated in this section with necessary supporting information including descriptions of the projects, plans, and cost estimates. A project must not be approved by the board unless it finds that:

- (1) the project will materially assist, directly or indirectly, the creation of additional long-term employment opportunities;
- (2) the prospective benefits of the expenditure exceed the anticipated costs; and
- (3) in the case of assistance to private enterprise, the project will serve a sound business purpose.

To be proposed by the board, a project must be approved by at least eight iron range resources and rehabilitation board members and the commissioner of iron range resources and rehabilitation. The list of projects must be submitted to the ~~legislative advisory commission for its review. The list with the recommendation of the legislative advisory commission must be submitted to the governor,~~ who shall, by November 15 of each year, approve, disapprove, or return for further consideration, each project. The money for a

project may be spent only upon approval of the project by the governor. The board may submit supplemental projects for approval at any time. Supplemental projects must be submitted to the members of the legislative advisory commission for their review and recommendations of further review. If a recommendation is not provided within ten days, no further review by the legislative advisory commission is required, and the governor shall approve or disapprove each project or return it for further consideration. If the recommendation by a member is for further review, the governor shall submit the request to the legislative advisory commission for its review and recommendation. Failure or refusal of the commission to make a recommendation promptly is a negative recommendation.

Sec. 110. Minnesota Statutes 1992, section 298.223, subdivision 2, is amended to read:

Subd. 2. [ADMINISTRATION.] The taconite environmental protection fund shall be administered by the commissioner of the iron range resources and rehabilitation board. The commissioner shall by September 1 of each year prepare a list of projects to be funded from the taconite environmental protection fund, with such supporting information including description of the projects, plans, and cost estimates as may be necessary. Upon recommendation of the iron range resources and rehabilitation board, this list shall be submitted to the legislative advisory commission for its review. This list with the recommendation of the legislative advisory commission shall then be transmitted to the governor by November 1 of each year. By December 1 of each year, the governor shall approve or disapprove, or return for further consideration, each project. Funds for a project may be expended only upon approval of the project by the governor. The commissioner may submit supplemental projects for approval at any time. Supplemental projects approved by the board must be submitted to the members of the legislative advisory commission for their review and recommendations of further review. If a recommendation is not provided within ten days, no further review by the legislative advisory commission is required, and the governor shall approve or disapprove each project or return it for further consideration. If the recommendation by any member is for further review the governor shall submit the request to the legislative advisory commission for its review and recommendation. Failure or refusal of the commission to make a recommendation promptly is a negative recommendation.

Sec. 111. Minnesota Statutes 1992, section 298.28, subdivision 7, is amended to read:

Subd. 7. [IRON RANGE RESOURCES AND REHABILITATION BOARD.] Three cents per taxable ton shall be paid to the iron range resources and rehabilitation board for the purposes of section 298.22. The amount determined in this subdivision shall be increased in 1981 and subsequent years prior to 1988 in the same proportion as the increase in the steel mill products index as provided in section 298.24, subdivision 1, and shall be increased in 1989, 1990, and 1991 according to the increase in the implicit price deflator as provided in section 298.24, subdivision 1. In 1992 and 1993, the amount distributed per ton shall be the same as the amount distributed per ton in 1991. In 1994, the amount distributed shall be the distribution per ton for 1991 increased in the same proportion as the increase between the fourth quarter of 1988 and the fourth quarter of 1992 in the implicit price deflator as defined in section 298.24, subdivision 1. That amount shall be increased in 1995 and subsequent years in the same proportion as the increase in the implicit price

deflator as provided in section 298.24, subdivision 1. The amount distributed in 1988 shall be increased according to the increase that would have occurred in the rate of tax under section 298.24 if the rate had been adjusted according to the implicit price deflator for 1987 production. The amount distributed pursuant to this subdivision shall be expended within or for the benefit of a tax relief area defined in section 273.134. No part of the fund provided in this subdivision may be used to provide loans for the operation of private business unless the loan is approved by the governor and the legislative advisory commission.

Sec. 112. Minnesota Statutes 1992, section 298.296, subdivision 1, is amended to read:

Subdivision 1. [PROJECT APPROVAL.] The board shall by August 1 of each year prepare a list of projects to be funded from the northeast Minnesota economic protection trust with necessary supporting information including description of the projects, plans, and cost estimates. These projects shall be consistent with the priorities established in section 298.292 and shall not be approved by the board unless it finds that:

(a) the project will materially assist, directly or indirectly, the creation of additional long-term employment opportunities;

(b) the prospective benefits of the expenditure exceed the anticipated costs; and

(c) in the case of assistance to private enterprise, the project will serve a sound business purpose.

To be proposed by the board, a project must be approved by at least eight iron range resources and rehabilitation board members and the commissioner of iron range resources and rehabilitation. The list of projects shall be submitted to the legislative advisory commission for its review. The list with the recommendation of the legislative advisory commission shall be submitted to the governor, who shall, by November 15 of each year, approve or disapprove, or return for further consideration, each project. The money for a project may be expended only upon approval of the project by the governor. The board may submit supplemental projects for approval at any time. Supplemental projects must be submitted to the members of the legislative advisory commission for their review and recommendations of further review. If a recommendation is not provided within ten days, no further review by the legislative advisory commission is required, and the governor shall approve or disapprove each project or return it for further consideration. If the recommendation by any member is for further review the governor shall submit the request to the legislative advisory commission for its review and recommendation. Failure or refusal of the commission to make a recommendation promptly is a negative recommendation.

Sec. 113. Minnesota Statutes 1992, section 303.13, subdivision 1, is amended to read:

Subdivision 1. [FOREIGN CORPORATION.] A foreign corporation shall be subject to service of process, as follows:

(1) By service on its registered agent;

(2) When any foreign corporation authorized to transact business in this state fails to appoint or maintain in this state a registered agent upon whom

service of process may be had, or whenever any registered agent cannot be found at its registered office in this state, as shown by the return of the sheriff of the county in which the registered office is situated; or by an affidavit of attempted service by any person not a party, or whenever any corporation withdraws from the state, or whenever the certificate of authority of any foreign corporation is revoked or canceled, service may be made by delivering to and leaving with the secretary of state, or with any *authorized* deputy or clerk in the ~~corporation department of the secretary of state's office~~, two copies thereof and a fee of ~~\$35~~ \$50; provided, that after a foreign corporation withdraws from the state, pursuant to section 303.16, service upon the corporation may be made pursuant to the provisions of this section only when based upon a liability or obligation of the corporation incurred within this state or arising out of any business done in this state by the corporation prior to the issuance of a certificate of withdrawal.

(3) If a foreign corporation makes a contract with a resident of Minnesota to be performed in whole or in part by either party in Minnesota, or if a foreign corporation commits a tort in whole or in part in Minnesota against a resident of Minnesota, such acts shall be deemed to be doing business in Minnesota by the foreign corporation and shall be deemed equivalent to the appointment by the foreign corporation of the secretary of the state of Minnesota and successors to be its true and lawful attorney upon whom may be served all lawful process in any actions or proceedings against the foreign corporation arising from or growing out of the contract or tort. Process shall be served in duplicate upon the secretary of state, together with *the address to which service is to be sent* and a fee of ~~\$35~~ \$50 and the secretary of state shall mail one copy thereof to the corporation at *its the last known address listed on the records of the secretary of state or the address provided by the party requesting service*, and the corporation shall have 30 days within which to answer from the date of the mailing, notwithstanding any other provision of the law. The making of the contract or the committing of the tort shall be deemed to be the agreement of the foreign corporation that any process against it which is so served upon the secretary of state shall be of the same legal force and effect as if served personally on it within the state of Minnesota.

Sec. 114. Minnesota Statutes 1992, section 303.21, subdivision 3, is amended to read:

Subd. 3. [OTHER INSTRUMENTS.] A fee of ~~\$35~~ \$50 shall be paid to the secretary of state for filing any instrument, other than the annual report required by section 303.14, required or permitted to be filed under the provisions of this chapter. For filing the annual report a fee of \$20 must be paid to the secretary of state. The fees shall be paid at the time of the filing of the instrument.

Sec. 115. Minnesota Statutes 1992, section 322A.16, is amended to read:

322A.16 [FILING IN OFFICE OF SECRETARY OF STATE.]

(a) A signed copy of the certificate of limited partnership, of any certificates of amendment or cancellation or of any judicial decree of amendment or cancellation shall be delivered to the secretary of state. A person who executes a certificate as an agent or fiduciary need not exhibit evidence of the executor's authority as a prerequisite to filing. Unless the secretary of state finds that any certificate does not conform to law, upon receipt of a ~~\$35~~ \$50 filing fee and, in the case of a certificate of limited partnership, a ~~\$60~~ \$50 initial fee, the secretary shall:

(1) endorse on the original the word "Filed" and the day, month and year of the filing; and

(2) return the original to the person who filed it or a representative.

(b) Upon the filing of a certificate of amendment or judicial decree of amendment in the office of the secretary of state, the certificate of limited partnership shall be amended as set forth in the amendment, and upon the effective date of a certificate of cancellation or a judicial decree of it, the certificate of limited partnership is canceled.

Sec. 116. Minnesota Statutes 1992, section 333.20, subdivision 4, is amended to read:

Subd. 4. The application for registration shall be accompanied by a filing fee of ~~\$35~~ \$50, payable to the secretary of state; ~~provided, however, that a single credit of \$10 shall be given each applicant applying for reregistration of a mark hereunder for each \$10 filing fee paid by applicant for registration of the same trademark prior to the effective date of sections 333.18 to 333.31.~~

Sec. 117. Minnesota Statutes 1992, section 333.22, subdivision 1, is amended to read:

Subdivision 1. Registration of a mark hereunder shall be effective for a term of ten years from the date of registration and, upon application filed within six months prior to the expiration of such term or a renewal thereof, on a form to be furnished by the secretary of state, the registration may be renewed for additional ten-year terms provided that the mark is in use by the applicant at the time of the application for renewal and that there are no intervening rights. A renewal fee of ~~\$22~~ \$25 payable to the secretary of state shall accompany the application for renewal of the registration.

Sec. 118. Minnesota Statutes 1992, section 336.9-403, is amended to read:

336.9-403 [WHAT CONSTITUTES FILING; DURATION OF FILING; EFFECT OF LAPSED FILING; DUTIES OF FILING OFFICER.]

(1) Presentation for filing of a financing statement and tender of the filing fee or acceptance of the statement by the filing officer constitutes filing under this article.

(2) Except as provided in subsection (6) a filed financing statement is effective for a period of five years from the date of filing. The effectiveness of a filed financing statement lapses on the expiration of the five-year period unless a continuation statement is filed prior to the lapse. If a security interest perfected by filing exists at the time insolvency proceedings are commenced by or against the debtor, the security interest remains perfected until termination of the insolvency proceedings and thereafter for a period of 60 days or until expiration of the five-year period, whichever occurs later regardless of whether the financing statement filed as to that security interest is destroyed by the filing officer pursuant to subsection (3). Upon lapse the security interest becomes unperfected, unless it is perfected without filing. If the security interest becomes unperfected upon lapse, it is deemed to have been unperfected as against a person who became a purchaser or lien creditor before lapse.

(3) A continuation statement may be filed by the secured party within six months prior to the expiration of the five-year period specified in subsection (2). Any such continuation statement must be signed by the secured party, set

forth the name, social security number or other tax identification number of the debtor, and address of the debtor and secured party as those items appear on the original financing statement or the most recently filed amendment, identify the original statement by file number and filing date, and state that the original statement is still effective. A continuation statement signed by a person other than the secured party of record must be accompanied by a separate written statement of assignment signed by the secured party of record and complying with subsection (2) of section 336.9-405, including payment of the required fee. Upon timely filing of the continuation statement, the effectiveness of the original statement is continued for five years after the last date to which the filing was effective whereupon it lapses in the same manner as provided in subsection (2) unless another continuation statement is filed prior to such lapse. Succeeding continuation statements may be filed in the same manner to continue the effectiveness of the original statement. Unless a statute on disposition of public records provides otherwise, the filing officer may remove a lapsed statement from the files and destroy it immediately if the officer has retained a microfilm or other photographic record, or in other cases after one year after the lapse. The filing officer shall so arrange matters by physical annexation of financing statements to continuation statements or other related filings, or by other means, that if the officer physically destroys the financing statements of a period more than five years past, those which have been continued by a continuation statement or which are still effective under subsection (6) shall be retained. If insolvency proceedings are commenced by or against the debtor, the secured party shall notify the filing officer both upon commencement and termination of the proceedings, and the filing officer shall not destroy any financing statements filed with respect to the debtor until termination of the insolvency proceedings. The security interest remains perfected until termination of the insolvency proceedings and thereafter for a period of 60 days or until expiration of the five-year period, whichever occurs later.

(4) Except as provided in subsection (7) a filing officer shall mark each statement with a file number and with the date and hour of filing and shall hold the statement or a microfilm or other photographic copy thereof for public inspection. In addition the filing officer shall index the statements according to the name of the debtor and shall note in the index the file number, the address of the debtor given in the statement, and the social security number or other tax identification number of the debtor given in the statement.

(5) The secretary of state shall prescribe uniform forms for statements and samples thereof shall be furnished to all filing officers in the state. The uniform fee for filing and indexing and for stamping a copy furnished by the secured party to show the date and place of filing for an original financing statement or for a continuation statement shall be \$7 if the statement is in the standard form prescribed by the secretary of state and otherwise shall be \$10, plus in each case, if the financing statement is subject to subsection (5) of section 336.9-402, \$5. An additional fee of \$7 shall be collected if more than one name is required to be indexed or if the secured party chooses to show a trade name for any debtor listed. The uniform fee collected for the filing of an amendment to a financing statement if the amendment is in the standard form prescribed by the secretary of state and does not add additional debtor names to the financing statement shall be \$7. The fee for an amendment adding additional debtor names shall be \$14 if the amendment is in the form prescribed by the secretary of state and, if otherwise, \$17. The fee for an

amendment which is not in the form prescribed by the secretary of state but which does not add additional names shall be \$10.:

(a) for an original financing statement or statement of continuation on a standard form prescribed by the secretary of state, is \$15 for up to two debtor names and \$15 for each additional name thereafter;

(b) for an original financing statement or statement of continuation that is not on a standard form prescribed by the secretary of state, is \$20 for up to two debtor names and \$20 for each additional name thereafter;

(c) for an amendment on a standard form prescribed by the secretary of state that does not add debtor names, is \$15;

(d) for an amendment that is not on a standard form prescribed by the secretary of state and that does not add debtor names, is \$20;

(e) for an amendment on a standard form prescribed by the secretary of state that does add debtor names, is \$15 per debtor name;

(f) for an amendment that is not on a standard form prescribed by the secretary of state that does add debtor names, is \$20 per debtor name; and

(g) for each case in which the filing is subject to subsection (5) of section 336.9-402, \$5 in addition to the fee required above.

In no case will a filing officer accept more than four additional pages per financing statement for filing in the uniform commercial code records.

The secretary of state shall adopt rules for filing, amendment, continuation, termination, removal, and destruction of financing statements.

(6) If the debtor is a transmitting utility (subsection (5) of section 336.9-401) and a filed financing statement so states, it is effective until a termination statement is filed. A real estate mortgage which is effective as a fixture filing under subsection (6) of section 336.9-402 remains effective as a fixture filing until the mortgage is released or satisfied of record or its effectiveness otherwise terminates as to the real estate.

(7) When a financing statement covers timber to be cut or covers minerals or the like (including oil and gas) or accounts subject to subsection (5) of section 336.9-103, or is filed as a fixture filing, it shall be filed for record and the filing officer shall index it under the names of the debtor and any owner of record shown on the financing statement in the same fashion as if they were the mortgagors in a mortgage of the real estate described, and, to the extent that the law of this state provides for indexing of mortgages under the name of the mortgagee, under the name of the secured party as if the secured party were the mortgagee thereunder, or, for filing offices other than the secretary of state, where indexing is by description in the same fashion as if the financing statement were a mortgage of the real estate described. If requested of the filing officer on the financing statement, a financing statement filed for record as a fixture filing in the same office where nonfixture filings are made is effective, without a dual filing, as to collateral listed thereon for which filing is required in such office pursuant to section 336.9-401 (1) (a); in such case, the filing officer shall also index the recorded statement in accordance with subsection (4) using the recording data in lieu of a file number.

(8) The fees provided for in this article shall supersede the fees for similar services otherwise provided for by law except in the case of security interests filed in connection with a certificate of title on a motor vehicle.

Sec. 119. Minnesota Statutes 1992, section 336.9-404, is amended to read:

336.9-404 [TERMINATION STATEMENT.]

(1) If a financing statement covering consumer goods is filed on or after January 1, 1977, then within one month or within ten days following written demand by the debtor after there is no outstanding secured obligation and no commitment to make advances, incur obligations or otherwise give value, the secured party must file with each filing officer with whom the financing statement was filed, a termination statement to the effect that the secured party no longer claims a security interest under the financing statement. The termination statement must set forth the name and address of the debtor and secured party as those items appear on the original financing statement or the most recently filed amendment; identify the original financing statement by file number and filing date; and be signed by the secured party. In other cases whenever there is no outstanding secured obligation and no commitment to make advances, incur obligations, or otherwise give value, the secured party must on written demand by the debtor send the debtor, for each filing officer with whom the financing statement was filed, a termination statement to the effect that the secured party no longer claims a security interest under the financing statement, which shall be identified by file number. A termination statement signed by a person other than the secured party of record must be accompanied by a separate written statement of assignment signed by the secured party of record and complying with subsection (2) of section 336.9-405, including payment of the required fee. If the affected secured party fails to file such a termination statement as required by this subsection, or to send such a termination statement within ten days after proper demand therefor the secured party shall be liable to the debtor for \$100; and in addition for any loss caused to the debtor by such failure.

(2) On being presented with such a termination statement the filing officer must note it in the index. If a duplicate termination statement is provided, the filing officer shall return one copy of the termination statement to the secured party stamped to show the time of receipt thereof. If the filing officer has a microfilm or other photographic record of the financing statement, and of any related continuation statement, statement of assignment and statement of release, the filing officer may remove the originals from the files at any time after receipt of the termination statement, or having no such record, the filing officer may remove them from the files at any time after one year after receipt of the termination statement.

(3) There shall be no fee collected for the filing of a termination if the termination statement is in the standard form prescribed by the secretary of state and otherwise shall be \$5, plus in each case, *The fee for filing a termination statement on a form that is not the standard form prescribed by the secretary of state is \$5.* If the original financing statement was subject to subsection (5) of section 336.9-402, the fee prescribed by section 357.18, subdivision 1, clause (1), is also required.

Sec. 120. Minnesota Statutes 1992, section 336.9-405, is amended to read:

336.9-405 [ASSIGNMENT OF SECURITY INTEREST; DUTIES OF FILING OFFICER; FEES.]

(1) A financing statement may disclose an assignment of a security interest in the collateral described in the financing statement by indication in the financing statement of the name and address of the assignee or by an assignment itself or a copy thereof on the face of the statement. On presentation to the filing officer of such a financing statement the filing officer shall mark the same as provided in section 336.9-403, clause (4). The uniform fee for filing, indexing, and furnishing filing data for a financing statement so indicating an assignment shall be the same as the fee prescribed in section 336.9-403, clause (5).

(2) A secured party of record may record an assignment of all or a part of the secured party's rights under a financing statement by the filing. *The assignment must be filed in the place where the original financing statement was filed of a separate written statement of. The assignment must be signed by the secured party of record, setting forth. The assignment must state: (i) the name and address of the secured party of record and the debtor as those items appear on the original financing statement or the most recently filed amendment, identifying (ii) the file number and the date of filing of the financing statement, giving (iii) the name and address of the assignee, and containing (iv) a description of the collateral assigned. A copy of the assignment is sufficient as a separate statement if it complies with the preceding sentence.*

On presentation to the filing officer of such a separate statement, the filing officer shall mark such separate statement with the date and hour of the filing. The filing officer shall note the assignment on the index of the financing statement, or in the case of a fixture filing, or a filing covering timber to be cut, or covering minerals or the like (including oil and gas) or accounts subject to subsection (5) of section 336.9-103. The filing officer shall also index the assignment under the name of the assignor as grantor and, to the extent that the law of this state provides for indexing the assignment of a mortgage under the name of the assignee, index the assignment of the financing statement under the name of the assignee.

The uniform fee for filing, indexing, and furnishing filing data about such a separate statement of assignment shall be \$7 \$15 for up to two debtor names and \$15 for each additional name thereafter if the statement is in the standard form prescribed by the secretary of state and otherwise shall be \$10, plus. *If the statement is in a form that is not the standard form prescribed by the secretary of state, the fee is \$20 for up to two debtor names and \$20 for each additional name thereafter. In each case, if where the original financing statement was subject to subsection (5) of section 336.9-402, the fee prescribed by section 357.18, subdivision 1, clause (1), is also required. An additional fee of \$7 shall be charged if there is more than one name against which the statement of assignment is required to be indexed.*

Notwithstanding the provisions of this subsection, an assignment of record of a security interest in a fixture contained in a mortgage effective as a fixture filing (subsection (6) of section 336.9-402) may be made only by an assignment of the mortgage in the manner provided by the law of this state other than Laws 1976, chapter 135.

(3) After the disclosure or filing of an assignment under this section, the assignee is the secured party of record.

Sec. 121. Minnesota Statutes 1992, section 336.9-406, is amended to read:

**336.9-406 [RELEASE OF COLLATERAL; DUTIES OF FILING OFFICER; FEES.]**

A secured party of record may by signed statement release all or a part of any collateral described in a filed financing statement. The statement of release is sufficient if it contains a description of the collateral being released, the name and address of the debtor and secured party as those items appear on the original financing statement or the most recently filed amendment, and identifies the original financing statement by file number and filing date. A statement of release signed by a person other than the secured party of record must be accompanied by a separate written statement of assignment signed by the secured party of record and complying with subsection (2) of section 336.9-405, including payment of the required fee. Upon being presented with such a statement of release the filing officer shall mark the statement with the hour and date of filing and shall ~~note the same upon the margin of the index of the filing of the financing statement.~~ The uniform fee for filing and noting such a statement of release shall be ~~\$7~~ \$15 if the statement is in the standard form prescribed by the secretary of state and ~~otherwise shall be \$10, plus in each case.~~ If the statement is not on the standard form prescribed by the secretary of state, the fee is \$20. If the original financing statement was subject to subsection (5) of section 336.9-402, the fee prescribed by section 357.18, subdivision 1, clause (1), is also required.

Sec. 122. Minnesota Statutes 1992, section 336.9-407, is amended to read:

**336.9-407 [INFORMATION FROM FILING OFFICER.]**

(1) If the person filing any financing statement, termination statement, statement of assignment, or statement of release, furnishes the filing officer a copy thereof, the filing officer shall upon request note upon the copy the file number and date and hour of the filing of the original and deliver or send the copy to such person.

(2) Upon request of any person, the filing officer shall conduct a search of the statewide computerized uniform commercial code data base for any effective active financing statements naming a particular debtor and any statement of assignment thereof. The filing officer shall report the findings as of ~~that the~~ the date and hour of the search by issuing:

(a) a certificate listing the file number, date, and hour of each filing and the names and addresses of each secured party therein;

(b) photocopies of those original documents on file and located in the office of the filing officer; or

(c) upon request, both the certificate and the photocopies referred to in (b).

The uniform fee for conducting the search and for preparing a certificate showing up to five listed filings or for preparing up to five photocopies of original documents, or any combination of up to five listed filings and photocopies, shall be ~~\$7~~ \$15 if the request is in the standard form prescribed by the secretary of state and otherwise. This uniform fee shall include up to ten photocopies of original documents. If the request for information is made on a form other than the standard form prescribed by the secretary of state, the fee shall be ~~\$10~~ \$20 and shall include up to ten photocopies of original documents.

Another fee, at the same rate, shall also be charged for conducting a search and preparing a certificate showing federal and state tax liens on file with the filing officer naming a particular debtor.

There shall be an additional fee of ~~50 cents~~ *\$1 per page* for each financing statement and ~~each statement of assignment~~ or tax lien listed on the certificate and for each photocopy prepared in excess of the first ~~five~~ *ten*.

Notwithstanding the fees set in this section, a natural person who is the subject of data must, upon the person's request, be shown the data without charge, and upon request be provided with photocopies of the data upon payment of no more than the actual cost of making the copies.

Sec. 123. Minnesota Statutes 1992, section 336.9-413, is amended to read:

336.9-413 [UNIFORM COMMERCIAL CODE ACCOUNT.]

(a) The uniform commercial code account is established as an account in the state treasury.

(b) The filing officer with whom a financing statement, amendment, assignment, statement of release, or continuation statement is filed, or to whom a request for search is made, shall collect a ~~\$4 the filing fee and forward \$5 of that fee as a surcharge on each filing or search, except that the surcharge is \$5 during the fiscal year ending June 30, 1993.~~ By the 15th day following the end of each fiscal quarter, each county recorder shall forward the receipts from the surcharge accumulated during that fiscal quarter to the secretary of state. The surcharge does not apply to a search request made by a natural person who is the subject of the data to be searched except when a certificate is requested as a part of the search.

(c) The surcharge amounts received from county recorders and the surcharge amounts collected by the secretary of state's office must be deposited in the state treasury and credited to the general fund.

(d) Fees that are not expressly set by statute but are charged by the secretary of state to offset the costs of providing a service under sections 336.9-411 to 336.9-413 must be deposited in the state treasury and credited to the uniform commercial code account.

(e) Fees that are not expressly set by statute but are charged by the secretary of state to offset the costs of providing information contained in the computerized records maintained by the secretary of state must be deposited in the state treasury and credited to the uniform commercial code account.

(f) Money in the uniform commercial code account is continuously appropriated to the secretary of state to implement and maintain the computerized uniform commercial code filing system under section 336.9-411 and to provide electronic-view-only access to other computerized records maintained by the secretary of state.

Sec. 124. Minnesota Statutes 1992, section 336A.04, subdivision 3, is amended to read:

Subd. 3. [FEES.] (a) The fee for filing and indexing a standard form for a lien notice, effective financing statement, ~~amendment~~, or continuation statement, and stamping the date and place of filing on a copy of the filed document furnished by the filing party is ~~\$10 when a single debtor name is listed. If more than one debtor's name is listed on a standard form, the fee is~~

~~\$17. If one debtor's name is listed on a nonstandard effective filing statement, assignment or continuation statement, or a nonstandard lien notice or assignment of a lien notice, the fee is \$13. If more than one debtor's name is listed on a nonstandard form, the fee is \$20 \$15 for up to two debtor names and \$15 for each additional name thereafter.~~

~~(b) The fee for filing an amendment on the standard form that does not add debtors' names to the lien notice or effective financing statement is \$10. If a nonstandard form is used, the fee is \$13. The fee for an amendment that adds debtors' names is \$17 if a standard form is used or \$20 if a nonstandard form is used. The fee for filing a partial release is \$10 if a standard form is used or \$13 if a nonstandard form is used.~~

~~(c) A fee may not be charged for filing a termination statement if the termination is filed within 30 days after satisfaction of the lien or security interest. Otherwise, the fee is \$10.~~

~~(4) (c) A county recorder shall forward \$5 of each filing fee collected under this subdivision to the secretary of state by the 15th of the month following the end of each fiscal quarter. The surcharge amounts received from county recorders and the surcharge amounts collected by the secretary of state's office must be deposited in the state treasury and credited to the general fund. The balance of the filing fees collected by a county recorder must be deposited in the general fund of the county.~~

Sec. 125. Minnesota Statutes 1992, section 336A.09, subdivision 2, is amended to read:

Subd. 2. [SEARCHES; FEES.] (a) If a person makes a request, the filing officer shall conduct a search of the computerized filing system for effective financing statements or lien notices and statements of assignment, continuation, amendment, and partial release of a particular debtor. The filing officer shall report the date, time, and results of the search by issuing:

(1) a certificate listing the file number, date, and hour of each effective financing statement found in the search and the names and addresses of each secured party on the effective financing statements or of each lien notice found in the search and the names and address of each lienholder on the lien notice;

(2) photocopies of the original effective financing statement or lien notice documents on file; or

(3) upon request, both the certificate and photocopies of the effective financing statements or lien notices.

(b) The uniform fee for conducting a search and for preparing a certificate showing up to five listed filings or for preparing up to five photocopies of original documents, or any combination of up to five listed filings and photocopies, is \$10 \$15 per debtor name if the request is in the standard form prescribed by the secretary of state and otherwise is \$13. This uniform fee shall include ten photocopies of original documents. If the request for information is made on a form other than the standard form prescribed by the secretary of state, the fee is \$20 per debtor name and shall include ten photocopies of original documents. An additional fee of 50 cents \$1 per page must be charged for each listed filing and for each photocopy prepared in excess of the first five ten. If an oral or facsimile response is requested, there is an additional fee of \$5 per debtor name requested.

(c) A county recorder shall forward \$3.55 of each search fee collected under this subdivision to the secretary of state by the 15th of the month following each fiscal quarter. *The surcharge amounts received from county recorders and the surcharge amounts collected by the secretary of state's office must be deposited in the state treasury and credited to the general fund.* The balance of the search fees collected by a county recorder must be deposited in the general fund of the county.

Sec. 126. Minnesota Statutes 1992, section 349A.10, subdivision 5, is amended to read:

Subd. 5. [DEPOSIT OF NET PROCEEDS.] Within 30 days after the end of each month, the director shall deposit in the state treasury the net proceeds of the lottery, which is the balance in the lottery fund after transfers to the lottery prize fund and credits to the lottery operations account. Of the net proceeds, 40 percent must be credited to the Minnesota environment and natural resources trust fund, *11 percent must be credited to the state arts account created in section 129D.06, for distribution as provided in that section,* and the remainder must be credited to the general fund.

Sec. 127. Minnesota Statutes 1992, section 359.01, subdivision 3, is amended to read:

Subd. 3. [FEES.] The fee for each commission shall not exceed \$40. *All fees shall be retained by the commissioner and shall be nonreturnable except that an overpayment of any fee shall be the subject of a refund upon proper application.*

Sec. 128. Minnesota Statutes 1992, section 359.02, is amended to read:

359.02 [TERM, BOND, OATH, REAPPOINTMENT.]

~~A notary commissioned under section 359.01 holds office for six years, unless sooner removed by the governor or the district court. Before entering upon the duties of office, a newly commissioned notary shall file the notary's oath of office with the secretary of state. Within 30 days before the expiration of the commission a notary may be reappointed for a new term to commence and to be designated in the new commission as beginning upon the day immediately following the date of the expiration. The reappointment takes effect and is valid although the appointing governor may not be in the office of governor on the effective day.~~

*Subdivision 1. [EXPIRATION IN 1995.] Notary commissions issued before January 3, 1995, expire on January 31, 1995.*

*Subd. 2. [SIX-YEAR LICENSING PERIOD.] Notary commissions issued after January 31, 1995, expire at the end of the licensing period that will end every sixth year following January 31, 1995.*

*Subd. 3. [PARTIAL LICENSING PERIODS.] Notary commissions issued during a licensing period expire at the end of that period as set forth in this section.*

Sec. 129. Minnesota Statutes 1992, section 386.65, is amended to read:

386.65 [EXAMINATION OF APPLICANTS FOR LICENSE.]

Subdivision 1. Applications for a license shall be made to the ~~board~~ commissioner and shall be upon a form to be prepared by the ~~board~~

*commissioner* and contain such information as may be required by it. Upon receiving such application, the ~~board~~ *commissioner* shall fix a time and place for the examination of such applicant. Notice of such examination shall be given to the applicant by certified mail, who shall thereon take the examination pursuant to such notice. The examination shall be conducted by the ~~board~~ *commissioner* under such rules as the ~~board~~ *commissioner* may prescribe, and such rules shall prescribe that the applicant must show qualification by experience, education or training to qualify as being capable of performing the duties of an abstracter whose work will be for the use and protection of the public. If application is made by a firm or corporation, one of the members or managing officials thereof shall take such examination. If the applicant successfully passes the examination and complies with all the provisions of sections 386.61 to 386.76, the ~~board~~ *commissioner* shall ~~cause its executive secretary to~~ issue a license to the applicant.

Sec. 130. Minnesota Statutes 1992, section 386.66, is amended to read:

**386.66 [BOND OR ABSTRACTER'S LIABILITY INSURANCE POLICY.]**

Before a license shall be issued, the applicant shall file with the ~~board~~ *commissioner* a bond or abstracter's liability insurance policy to be approved by the ~~chair or executive secretary~~ *commissioner*, running to the state of Minnesota in the penal sum of at least \$100,000 conditioned for the payment by such abstractor of any damages that may be sustained by or accrue to any person by reason of or on account of any error, deficiency or mistake arising wrongfully or negligently in any abstract, or continuation thereof, or in any certificate showing ownership of, or interest in, or liens upon any lands in the state of Minnesota, whether registered or not, made by and issued by such abstractor, provided however, that the aggregate liability of the surety to all persons under such bond shall in no event exceed the amount of such bond. In any county having more than 200,000 inhabitants the bond or insurance policy required herein shall be in the penal sum of at least \$250,000. Applicants having cash or securities or deposit with the state of Minnesota in an amount equal to the said bond or insurance policy shall be exempt from furnishing the bond or an insurance policy herein required but shall be liable to the same extent as if a bond or insurance policy has been given and filed. The bond or insurance policy required hereunder shall be written by some surety or other company authorized to do business in this state issuing bonds or abstracter's liability insurance policies and shall be issued for a period of one or more years, and renewed for one or more years at the date of expiration as principal continues in business. The aggregate liability of such surety on such bond or insurance policy for all damages shall, in no event, exceed the sum of said bond or insurance policy.

Sec. 131. Minnesota Statutes 1992, section 386.67, is amended to read:

**386.67 [LICENSED ABSTRACTER, SEAL.]**

A licensed abstracter furnishing abstracts of title to real property under the provisions hereof shall provide a seal, which seal shall show the name of such licensed abstracter, and shall file with the ~~executive secretary of the board~~ *commissioner* an impression of or copy made by such seal and the signatures of persons authorized to sign certificates on abstracts and continuations of abstracts and certificates showing ownership of, or interest in, or liens upon any lands in the state of Minnesota, whether registered or not, issued by such licensed abstracter.

Sec. 132. Minnesota Statutes 1992, section 386.68, is amended to read:  
386.68 [FEES.]

~~For The services specified in sections 386.61 to 386.76 following fees shall be set by the board must be paid to the commissioner: an examination fee of \$25; an initial licensing fee of \$50; and a license renewal fee of \$40.~~

Sec. 133. Minnesota Statutes 1992, section 386.69, is amended to read:  
386.69 [LICENSES.]

Licenses issued by ~~said board~~ *the commissioner* under the provisions hereof shall recite that such bond or insurance policy has been duly filed and approved, and the license shall authorize the official, person, firm or corporation named in it to engage in and carry on the business of an abstractor of real estate titles in the county in which said official, person, firm or corporation is authorized to make abstracts. The license shall be issued for a period as determined by the ~~board commissioner~~, and shall thereafter be renewed upon conditions prescribed by the ~~board commissioner~~.

Sec. 134. [386.705] [ADMINISTRATIVE ACTIONS AND PENALTIES.]

*An abstracter licensed under sections 386.61 to 386.76 is subject to the penalties imposed pursuant to section 45.027. The commissioner has all the powers provided in section 45.027 and shall proceed in the manner provided by that section in actions against abstracters.*

Sec. 135. [386.706] [RULES.]

*The commissioner may adopt rules necessary for the administration of sections 386.61 to 386.76.*

Sec. 136. Minnesota Statutes 1992, section 462A.057, subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT; PURPOSE.] ~~There is established The agency may establish the Minnesota rural and urban homesteading program to be administered by the agency for the purpose of making grants or loans to eligible applicants to acquire, rehabilitate, and sell eligible property. The program is directed at single family residential properties in need of rehabilitation that are sold to "at risk" home buyers committed to strengthening the neighborhood and following a good neighbor policy.~~

Sec. 137. [462A.204] [FAMILY HOMELESS PREVENTION AND ASSISTANCE PROGRAM.]

Subdivision 1. [ESTABLISHMENT.] *The agency may establish a family homeless prevention and assistance program to assist families who are homeless or are at imminent risk of homelessness. The agency may make grants to develop and implement family homeless prevention and assistance projects under the program. For purposes of this section, "families" means families and persons under the age of 18.*

Subd. 2. [SELECTION CRITERIA.] *The agency shall award grants to counties with a significant number or significant growth in the number of homeless families and that agree to focus their emergency response systems on homeless prevention and the securing of permanent or transitional housing for homeless families. The agency shall take into consideration the extent to which the proposed project activities demonstrate ways in which existing*

resources in an area may be more effectively coordinated to meet the program objectives specified under this section in awarding grants.

Subd. 3. [SET ASIDE.] At least one grant must be awarded in an area located outside of the metropolitan area as defined in section 473.121, subdivision 2. A county, a group of contiguous counties jointly acting together, or a community-based nonprofit organization with a sponsoring resolution from each of the county boards of the counties located within its operating jurisdiction may apply for and receive grants for areas located outside the metropolitan area.

Subd. 4. [PROJECT REQUIREMENTS.] Each project must be designed to stabilize families in their existing homes, shorten the amount of time that families stay in emergency shelters, and assist families with securing transitional or permanent affordable housing throughout the grantee's area of operation. Each project must include plans for the following:

- (1) use of existing housing stock, including the maintenance of current housing for those at risk;
- (2) leveraging of private and public money to maximize the project impact;
- (3) coordination and use of existing public and private providers of rental assistance, emergency shelters, transitional housing, and affordable permanent housing;
- (4) targeting of direct financial assistance including assistance for rent, utility payments or other housing costs, and support services, where appropriate, to prevent homelessness and repeated episodes of homelessness;
- (5) efforts to address the needs of specific homeless populations;
- (6) identification of outcomes expected from the use of the grant award; and
- (7) description of how the organization will use other resources to address the needs of homeless individuals.

Subd. 5. [AUTHORIZED USES OF GRANT.] A grant may be used to prevent or decrease the period of homelessness of families and to decrease the time period that families stay in emergency shelters. Grants may not be used to acquire, rehabilitate, or construct emergency shelters or transitional or permanent housing. Grants may not be used to pay more than 24 months of rental assistance for a family.

Subd. 6. [ADVISORY COMMITTEE.] Each grantee shall establish an advisory committee consisting of a homeless advocate, a homeless person or formerly homeless person, a member of the state interagency task force on homelessness, local representatives, if any, of public and private providers of emergency shelter, transitional housing, and permanent affordable housing, and other members of the public not representatives of those specifically described in this sentence. The grantee shall consult on a regular basis with the advisory committee in preparing the project proposal and in the design, implementation, and evaluation of the project. The advisory committee shall assist the grantee as follows:

- (1) designing or refocusing the grantee's emergency response system;
- (2) developing project outcome measurements; and

(3) assessing the short- and long-term effectiveness of the project in meeting the needs of families who are homeless, preventing homelessness, identifying and developing innovative solutions to the problem of homeless families, and identifying problems and barriers to providing services to homeless families.

Subd. 7. [REPORTING REQUIREMENTS.] Each grantee shall submit an annual project report to the state interagency task force on homelessness. The report must include the actual program results compared to program objectives. The state interagency task force shall report on program activities to all state agencies that provide assistance or services to homeless persons.

Sec. 138. [462A.206] [MORTGAGE FORECLOSURE PREVENTION AND EMERGENCY RENTAL ASSISTANCE PROGRAM.]

Subdivision 1. [ESTABLISHMENT.] The agency shall, within the limits of available appropriations, establish a mortgage foreclosure prevention and emergency rental assistance program to provide assistance to low-income and moderate-income persons who are facing the loss of their housing due to circumstances beyond their control. Priority for assistance under this section must be given to persons and families at or below 60 percent of area median income, adjusted for family size, as determined by the department of housing and urban development.

Subd. 2. [ADMINISTRATION.] The agency may contract with community-based, nonprofit organizations that meet the requirements specified in this section to provide either mortgage foreclosure assistance or rental assistance, or both. Preference must be given to nonprofit organizations that demonstrate the greatest ability to leverage program money with other sources of funding, or to organizations serving areas without access to mortgage foreclosure assistance or rental assistance. The agency may require an organization to match program money with other money or resources.

Subd. 3. [ORGANIZATION ELIGIBILITY.] A nonprofit organization must be able to demonstrate that it is qualified to deliver program services, has relevant expertise in mortgage foreclosure prevention or landlord and tenant procedures, and is able to perform the duties required under the program. An organization must provide the agency with a detailed description of how the proposed program would be administered, including the qualifications of staff. An organization may not be part of, nor affiliated with, a mortgage lender nor provide assistance to a household which occupies a housing unit owned or managed by the organization.

Subd. 4. [SELECTION CRITERIA.] The agency shall take the following criteria into consideration when determining whether an organization is qualified to administer the program:

(1) the prior experience of the nonprofit organization in establishing, administering, and maintaining a mortgage foreclosure prevention or a rental assistance program;

(2) the documented familiarity of the organization regarding mortgage foreclosure prevention procedures, landlord and tenant procedures, and other services available to assist with preventing the loss of housing;

(3) the reasonableness of the proposed budget in meeting the program objectives;

(4) the documented ability of the organization to provide financial assistance; and

(5) the documented ability of the organization to provide mortgage foreclosure prevention or other financial or tenant counseling.

**Subd. 5. [DESIGNATED AREAS.]** A program administrator must designate specific areas, communities, or neighborhoods within which the program is proposed to be operated for the purpose of focusing resources.

**Subd. 6. [ASSISTANCE.]** (a) Program assistance includes general information, screening, assessment, referral services, case management, advocacy, and financial assistance to borrowers who are delinquent on mortgage, contract for deed, or rent payments.

(b) Not more than one-half of program funding may be used for mortgage or financial counseling services.

(c) Financial assistance consists of:

(1) payments for delinquent mortgage or contract for deed payments, future mortgage or contract for deed payments for a period of up to six months, property taxes, assessments, utilities, insurance, home improvement repairs, or other costs necessary to prevent foreclosure; or

(2) delinquent rent payments, utility bills, any fees or costs necessary to redeem the property, future rent payments for a period of up to six months, and relocation costs if necessary.

(d) An individual or family may receive the lesser of six months or \$4,500 of financial assistance.

**Subd. 7. [REPAYMENT.]** The agency may require the recipient of financial assistance to enter into an agreement with the agency for repayment. The repayment agreement for mortgages or contract for deed buyers must provide that in the event the property is sold, transferred, or otherwise conveyed, or ceases to be the recipient's principal place of residence, the recipient shall repay all or a portion of the financial assistance. The agency may take into consideration financial hardship in determining repayment requirements. The repayment agreement may be secured by a lien on the property for the benefit of the agency.

**Subd. 8. [REPORT.]** By January 10 of every year, each nonprofit organization that delivers services under this section must submit a report to the agency that summarizes the number of people served, the number of applicants who were not served, sources and amounts of nonstate money used to fund the services, and the number and type of referrals to other service providers. The agency shall annually submit a report to the legislature by February 15 that summarizes the service provider reports, and provide an assessment of the effectiveness of the program in preventing mortgage foreclosure and homelessness.

**Sec. 139. [462A.207] [MENTAL ILLNESS CRISIS HOUSING ASSISTANCE ACCOUNT.]**

**Subdivision 1. [CREATION.]** The mental illness crisis housing assistance account is established as a separate account in the housing development fund. The assistance account consists of money appropriated to it.

*Subd. 2. [RENTAL ASSISTANCE.] The account shall pay up to 90 days of rental assistance for persons with a diagnosed mental illness who require short-term inpatient care for stabilization.*

*Subd. 3. [ELIGIBILITY.] Rental assistance under this section is available only to persons of low and moderate income as determined by the department of housing and urban development.*

*Subd. 4. [ADMINISTRATION.] The agency may contract with organizations or government units experienced in rental assistance to operate the program under this section.*

Sec. 140. Minnesota Statutes 1992, section 462A.21, is amended by adding a subdivision to read:

*Subd. 17. [MORTGAGE FORECLOSURE PREVENTION AND EMERGENCY RENTAL ASSISTANCE.] The agency may spend money for the purposes of section 462A.206 and may pay the costs and expenses necessary and incidental to the development and operation of the program.*

Sec. 141. Minnesota Statutes 1992, section 462A.21, is amended by adding a subdivision to read:

*Subd. 18. [FAMILY HOMELESS PREVENTION AND ASSISTANCE.] The agency may spend money for the purposes of section 462A.204 and may pay the costs and expenses necessary and incidental to the development and operation of the program.*

Sec. 142. Minnesota Statutes 1992, section 462A.21, is amended by adding a subdivision to read:

*Subd. 19. [MENTAL ILLNESS CRISIS HOUSING ASSISTANCE.] The agency may spend money for the purpose of section 462A.207 and may pay the costs and expenses necessary and incidental to the development and operation of the program authorized in section 462A.206.*

Sec. 143. Minnesota Statutes 1992, section 462A.21, is amended by adding a subdivision to read:

*Subd. 20. [COMMUNITY DEVELOPMENT CORPORATIONS.] It may make grants to and enter into contracts with community development corporations under section 116J.982, and may pay the costs and expenses for the development and operation of the program.*

Sec. 144. Minnesota Statutes 1992, section 469.011, subdivision 4, is amended to read:

*Subd. 4. [EXPENSES; COMPENSATION.] Each commissioner may receive necessary expenses, including traveling expenses, incurred in the performance of duties. Each commissioner may be paid up to \$55 for attending each regular and special meeting of the authority. Commissioners who are elected officials or full-time state employees or full-time employees of the political subdivisions of the state may not receive the daily payment, but they may suffer no loss in compensation or benefits from the state or a political subdivision as a result of their service on the board. Commissioners who are elected officials may receive the daily payment for a particular day only if they do not receive any other daily payment for public service on that day. Commissioners who are full-time state employees or full-time employees*

of the political subdivisions of the state may receive the expenses provided for in this subdivision unless the expenses are reimbursed by another source.

**Sec. 145. [504.36] [PETS IN SUBSIDIZED HANDICAPPED ACCESSIBLE RENTAL HOUSING UNITS.]**

*In a multiunit residential building, a tenant of a handicapped accessible unit, in which the tenant or the unit, receives a subsidy that directly reduces or eliminates the tenant's rent responsibility must be allowed to have two birds or one spayed or neutered dog or one spayed or neutered cat. A renter under this section may not keep or have visits from an animal that constitutes a threat to the health or safety of other individuals, or causes a noise nuisance or noise disturbance to other renters. The landlord may require the renter to pay an additional damage deposit in an amount reasonable to cover damage likely to be caused by the animal. The deposit is refundable at any time the renter leaves the unit of housing to the extent it exceeds the amount of damage actually caused by the animal.*

**Sec. 146. [REPEALER.]**

*Minnesota Statutes 1992, sections 44A.12; 138.97; 239.05, subdivision 2c; 239.52; 239.78; 268.365, subdivision 1; 268.914, subdivision 2; 268.977; 268.978, subdivision 3; 386.61, subdivision 3; 386.63; 386.64; and 386.70, are repealed.*

**Sec. 147. [EFFECTIVE DATES.]**

*Subdivision 1. [1993 APPROPRIATIONS.] Any provisions appropriating money for fiscal year 1993 are effective the day following final enactment.*

*Subd. 2. [STATE ARTS ACCOUNT.] Sections 59 and 126 are effective July 1, 1995."*

Delete the title and insert:

"A bill for an act relating to the organization and operation of state government; appropriating money for community development and certain agencies of state government, with certain conditions; establishing and modifying certain programs; providing for regulation of certain activities and practices; providing for accounts, assessments, and fees; eliminating or transferring certain agency powers and duties; requiring studies and reports; amending Minnesota Statutes 1992, sections 3.30, subdivision 2, as amended; 15.38, by adding a subdivision; 15.50, subdivision 2; 16A.128, subdivision 2; 16A.28, by adding a subdivision; 16A.72; 16B.06, subdivision 2a; 44A.01, subdivisions 2 and 4; 44A.025; 82.21, by adding a subdivision; 116J.617; 116J.982; 216B.62, subdivisions 3 and 5; 237.295, subdivision 2, and by adding a subdivision; 239.011, subdivision 2; 239.10; 239.791, subdivisions 6 and 8; 239.80, subdivisions 1 and 2; 257.0755; 268.022, subdivisions 1 and 2; 268.361, subdivisions 6 and 7; 268.362; 268.363; 268.364, subdivisions 1, 3, and by adding a subdivision; 268.365, subdivision 2; 268.55; 268.914, subdivision 1; 268.975, subdivisions 3, 4, 6, 7, 8, and by adding subdivisions; 268.976, subdivision 2; 268.978, subdivision 1; 268.98; 298.2211, subdivision 3; 298.2213, subdivision 4; 298.223, subdivision 2; 298.28, subdivision 7; 298.296, subdivision 1; 303.13, subdivision 1; 303.21, subdivision 3; 322A.16; 333.20, subdivision 4; 333.22, subdivision 1; 336.9-403; 336.9-404; 336.9-405; 336.9-406; 336.9-407; 336.9-413; 336A.04, subdivision 3; 336A.09, subdivision 2; 349A.10, subdivision 5; 359.01, subdivision 3; 359.02; 386.65; 386.66; 386.67; 386.68; 386.69;

462A.057, subdivision 1; 462A.21, by adding subdivisions; and 469.011, subdivision 4; proposing coding for new law in Minnesota Statutes, chapters 116J; 116M; 129D; 239; 268; 386; 462A; and 504; proposing coding for new law as Minnesota Statutes, chapter 138A; repealing Minnesota Statutes 1992, sections 44A.12; 138.97; 239.05, subdivision 2c; 239.52; 239.78; 268.365, subdivision 1; 268.914, subdivision 2; 268.977; 268.978, subdivision 3; 386.61, subdivision 3; 386.63; 386.64; and 386.70."

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

Senate Conferees: (Signed) Carl W. Kroening, Steven G. Novak, James P. Metzen, Ellen R. Anderson

House Conferees: (Signed) James I. Rice, Karen Clark, Jerry Dempsey, Bernie Lieder, Carlos Mariani

Mr. Kroening moved that the foregoing recommendations and Conference Committee report on S.F. No. 1613 be now adopted, and that the bill be repassed as amended by the Conference Committee.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 47 and nays 16, as follows:

Those who voted in the affirmative were:

Adkins	Finn	Krentz	Morse	Sams
Anderson	Flynn	Kroening	Murphy	Samuelson
Beckman	Frederickson	Langseth	Novak	Solon
Berg	Hanson	Lessard	Pappas	Spear
Berglin	Hottinger	Luther	Piper	Terwilliger
Bertram	Janezich	Marty	Pogemiller	Vickerman
Betzold	Johnson, D.J.	McGowan	Price	Wiener
Chandler	Johnson, J.B.	Metzen	Ranum	
Cohen	Kelly	Moe, R.D.	Reichgott	
Dille	Knutson	Mondale	Riveness	

Those who voted in the negative were:

Belanger	Johnson, D.E.	Laidig	Oliver	Robertson
Benson, D.D.	Johnston	Lesewski	Olson	Runbeck
Benson, J.E.	Kiscaden	Merriam	Pariseau	Stevens
Day				

The motion prevailed. So the recommendations and Conference Committee report were adopted.

S.E. No. 1613 was read the third time, as amended by the Conference Committee, and placed on its repassage.

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

The roll was called, and there were yeas 53 and nays 13, as follows:

Those who voted in the affirmative were:

Adkins	Finn	Krentz	Mondale	Sams
Anderson	Flynn	Kroening	Morse	Samuelson
Beckman	Frederickson	Laidig	Murphy	Solon
Berglin	Hanson	Langseth	Novak	Spear
Bertram	Hottinger	Larson	Pappas	Stevens
Betzold	Janezich	Lessard	Piper	Stumpf
Chandler	Johnson, D.E.	Luther	Pogemiller	Terwilliger
Chmielewski	Johnson, D.J.	Marty	Price	Vickerman
Cohen	Johnson, J.B.	McGowan	Ranum	Wiener
Day	Kiscaden	Metzen	Reichgott	
Dille	Knutson	Moe, R.D.	Riveness	

Those who voted in the negative were:

Belanger	Berg	Merriam	Olson	Runbeck
Benson, D.D.	Johnston	Neuville	Pariseau	
Benson, J.E.	Lesewski	Oliver	Robertson	

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

### MOTIONS AND RESOLUTIONS – CONTINUED

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 690 a Special Order to be heard immediately.

#### SPECIAL ORDER

H.F. No. 690: A bill for an act relating to retirement; public employees retirement association; disability benefits; reducing the reduction in benefits to coordinate them with amounts received under workers' compensation law for certain former employees.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Adkins	Dille	Kroening	Murphy	Riveness
Anderson	Finn	Laidig	Neuville	Robertson
Beckman	Frederickson	Langseth	Novak	Runbeck
Benson, D.D.	Hanson	Larson	Oliver	Sams
Benson, J.E.	Hottinger	Lesewski	Olson	Samuelson
Berglin	Johnson, D.J.	Luther	Pappas	Stevens
Bertram	Johnson, J.B.	Marty	Pariseau	Stumpf
Betzold	Johnston	McGowan	Piper	Terwilliger
Chandler	Kelly	Merriam	Pogemiller	Vickerman
Chmielewski	Kiscaden	Metzen	Price	Wiener
Cohen	Knutson	Mondale	Ranum	
Day	Krentz	Morse	Reichgott	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 1161 a Special Order to be heard immediately.

#### SPECIAL ORDER

H.F. No. 1161: A bill for an act relating to retirement; public employees retirement association; permitting payment in lieu of salary deductions to obtain service credit notwithstanding a one-year time limitation.

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	Kroening	Murphy	Robertson
Anderson	Dille	Laidig	Neuville	Runbeck
Beckman	Finn	Langseth	Novak	Sams
Belanger	Frederickson	Larson	Oliver	Samuelson
Benson, D.D.	Hanson	Lesewski	Olson	Spear
Benson, J.E.	Hottinger	Lessard	Pappas	Stevens
Berg	Johnson, D.J.	Luther	Pariseau	Stumpf
Berglin	Johnson, J.B.	Marty	Piper	Terwilliger
Bertram	Johnston	McGowan	Pogemiller	Vickerman
Betzold	Kelly	Merriam	Price	Wiener
Chandler	Kiscaden	Metzen	Ranum	
Chmielewski	Knutson	Mondale	Reichgott	
Cohen	Krentz	Morse	Riveness	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 998 a Special Order to be heard immediately.

### SPECIAL ORDER

S.F. No. 998: A bill for an act relating to the city of Saint Paul; providing for a housing rehabilitation program; authorizing the issuance of general obligation bonds.

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	Krentz	Morse	Riveness
Anderson	Dille	Kroening	Murphy	Runbeck
Beckman	Finn	Laidig	Neuville	Sams
Belanger	Flynn	Langseth	Novak	Samuelson
Benson, D.D.	Frederickson	Larson	Oliver	Spear
Benson, J.E.	Hanson	Lesewski	Olson	Stevens
Berg	Hottinger	Lessard	Pappas	Stumpf
Berglin	Johnson, D.J.	Luther	Pariseau	Terwilliger
Bertram	Johnson, J.B.	Marty	Piper	Vickerman
Betzold	Johnston	McGowan	Pogemiller	Wiener
Chandler	Kelly	Merriam	Price	
Chmielewski	Kiscaden	Metzen	Ranum	
Cohen	Knutson	Mondale	Reichgott	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 1450 a Special Order to be heard immediately.

### SPECIAL ORDER

H.F. No. 1450: A bill for an act relating to game and fish; authorizing expenditure of RIM funds for restoration of fish and wildlife habitat; directing a report on plantings of native trees and shrubs; amending Minnesota Statutes 1992, section 84.95, 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 59 and nays 4, as follows:

Those who voted in the affirmative were:

Adkins	Finn	Kroening	Morse	Reichgott
Anderson	Flynn	Laidig	Murphy	Riveness
Beckman	Frederickson	Langseth	Neuville	Runbeck
Belanger	Hanson	Larson	Novak	Sams
Berglin	Hottinger	Lesewski	Oliver	Samuelson
Bertram	Johnson, D.J.	Lessard	Olson	Spear
Betzold	Johnson, J.B.	Luther	Pappas	Stevens
Chandler	Johnston	Marty	Pariseau	Stumpf
Chmielewski	Kelly	McGowan	Piper	Terwilliger
Cohen	Kiscaden	Merriam	Pogemiller	Vickerman
Day	Knutson	Metzen	Price	Wiener
Dille	Krentz	Mondale	Ranum	

Mr. Benson, D.D.; Mrs. Benson, J.E.; Mr. Berg and Ms. Robertson voted in the negative.

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 1624 a Special Order to be heard immediately.

### SPECIAL ORDER

S.F. No. 1624: A bill for an act relating to claims against the state; providing for payment of various claims; appropriating money.

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	Cohen	Kiscaden	Morse	Reichgott
Anderson	Day	Knutson	Murphy	Riveness
Beckman	Finn	Krentz	Neuville	Robertson
Belanger	Flynn	Laidig	Novak	Runbeck
Benson, D.D.	Frederickson	Langseth	Oliver	Sams
Benson, J.E.	Hanson	Larson	Olson	Samuelson
Berg	Hottinger	Lesewski	Pappas	Spear
Berglin	Janezich	Luther	Pariseau	Stevens
Bertram	Johnson, D.J.	Marty	Piper	Stumpf
Betzold	Johnson, J.B.	McGowan	Pogemiller	Terwilliger
Chandler	Johnston	Merriam	Price	Vickerman
Chmielewski	Kelly	Metzen	Ranum	Wiener

So the bill passed and its title was agreed to.

Mr. Luther moved that H.F. No. 1524 be made a Special Order for immediate consideration. The motion prevailed.

### SPECIAL ORDER

H.F. No. 1524: A bill for an act relating to taxation; providing conditions and requirements for the issuance of public debt and for the financial obligations of authorities; providing an exemption from the mortgage registration tax; providing an exemption from an ad valorem taxation for certain lease purchase property; providing a property tax exemption for certain

property devoted to public use; amending Minnesota Statutes 1992, sections 80A.12, by adding a subdivision; 275.065, subdivision 7; 287.04; 447.45, subdivision 2; 475.67, subdivisions 3 and 13; and 501B.25; repealing Minnesota Rules, part 2875.3532.

Mr. Pogemiller moved to amend H.F. No. 1524, as amended pursuant to Rule 49, adopted by the Senate May 4, 1993, as follows:

(The text of the amended House File is identical to S.F. No. 1419.)

Page 3, after line 17, insert:

“Sec. 5. [1994 ENTITLEMENT ALLOCATION.]

*The deduction required under Minnesota Statutes, section 474A.04, subdivision 1a, does not apply to an entitlement issuer's 1994 entitlement allocation if:*

*(1) the entitlement issuer's 1992 entitlement allocation is carried forward and not permanently issued by the end of calendar year 1993; and*

*(2) federal authorization for mortgage bonds is not effective before October 1, 1993.”*

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Mr. Pogemiller then moved to amend H.F. No. 1524, as amended pursuant to Rule 49, adopted by the Senate May 4, 1993, as follows:

(The text of the amended House File is identical to S.F. No. 1419.)

Page 1, after line 23, insert:

“Sec. 2. Minnesota Statutes 1992, section 80A.15, subdivision 2, is amended to read:

Subd. 2. The following transactions are exempted from sections 80A.08 and 80A.16:

(a) Any ~~isolated~~ sales, whether or not effected through a broker-dealer, provided that no person shall make more than ten sales of securities of the same issuer pursuant to this exemption during any period of 12 consecutive months; provided further, that in the case of sales by an issuer, except sales of securities registered under the Securities Act of 1933 or exempted by section 3(b) of that act, (1) the seller reasonably believes that all buyers are purchasing for investment, and (2) the securities are not advertised for sale to the general public in newspapers or other publications of general circulation or otherwise, or by radio, television, electronic means or similar communications media, or through a program of general solicitation by means of mail or telephone.

(b) Any nonissuer distribution of an outstanding security if (1) either Moody's, Fitch's, or Standard & Poor's Securities Manuals, or other recognized manuals approved by the commissioner contains the names of the issuer's officers and directors, a balance sheet of the issuer as of a date not more than 18 months prior to the date of the sale, and a profit and loss statement for the fiscal year preceding the date of the balance sheet, and (2)

the issuer or its predecessor has been in active, continuous business operation for the five-year period next preceding the date of sale, and (3) if the security has a fixed maturity or fixed interest or dividend provision, the issuer has not, within the three preceding fiscal years, defaulted in payment of principal, interest, or dividends on the securities.

(c) The execution of any orders by a licensed broker-dealer for the purchase or sale of any security, pursuant to an unsolicited offer to purchase or sell; provided that the broker-dealer acts as agent for the purchaser or seller, and has no direct material interest in the sale or distribution of the security, receives no commission, profit, or other compensation from any source other than the purchaser and seller and delivers to the purchaser and seller written confirmation of the transaction which clearly itemizes the commission, or other compensation.

(d) Any nonissuer sale of notes or bonds secured by a mortgage lien if the entire mortgage, together with all notes or bonds secured thereby, is sold to a single purchaser at a single sale.

(e) Any judicial sale, exchange, or issuance of securities made pursuant to an order of a court of competent jurisdiction.

(f) The sale, by a pledge holder, of a security pledged in good faith as collateral for a bona fide debt.

(g) Any offer or sale to a bank, savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, pension or profit sharing trust, or other financial institution or institutional buyer, or to a broker-dealer, whether the purchaser is acting for itself or in some fiduciary capacity.

(h) Any sales by an issuer to the number of persons that shall not exceed 25 persons in this state, or 35 persons if the sales are made in compliance with Regulation D promulgated by the Securities and Exchange Commission, Code of Federal Regulations, title 17, sections 230.501 to 230.506, (other than those designated in paragraph (a) or (g)), whether or not any of the purchasers is then present in this state, if (1) the issuer reasonably believes that all of the buyers in this state (other than those designated in clause (g)) are purchasing for investment, and (2) no commission or other remuneration is paid or given directly or indirectly for soliciting any prospective buyer in this state (other than those designated in clause (g)), except reasonable and customary commissions paid by the issuer to a broker-dealer licensed under this chapter, and (3) the issuer has, ten days prior to any sale pursuant to this paragraph, supplied the commissioner with a statement of issuer on forms prescribed by the commissioner, containing the following information: (i) the name and address of the issuer, and the date and state of its organization; (ii) the number of units, price per unit, and a description of the securities to be sold; (iii) the amount of commissions to be paid and the persons to whom they will be paid; (iv) the names of all officers, directors and persons owning five percent or more of the equity of the issuer; (v) a brief description of the intended use of proceeds; (vi) a description of all sales of securities made by the issuer within the six-month period next preceding the date of filing; and (vii) a copy of the investment letter, if any, intended to be used in connection with any sale. Sales that are made more than six months before the start of an offering made pursuant to this exemption or are made more than six months after completion of an offering made pursuant to this exemption will not be considered part of the offering, so long as during those six-month periods there are no sales of

unregistered securities (other than those made pursuant to paragraph (a) or (g)) by or for the issuer that are of the same or similar class as those sold under this exemption. The commissioner may by rule or order as to any security or transaction or any type of security or transaction, withdraw or further condition this exemption, or increase the number of offers and sales permitted, or waive the conditions in clause (1), (2), or (3) with or without the substitution of a limitation or remuneration.

(i) Any offer (but not a sale) of a security for which a registration statement has been filed under sections 80A.01 to 80A.31, if no stop order or refusal order is in effect and no public proceeding or examination looking toward an order is pending; and any offer of a security if the sale of the security is or would be exempt under this section. The commissioner may by rule exempt offers (but not sales) of securities for which a registration statement has been filed as the commissioner deems appropriate, consistent with the purposes of sections 80A.01 to 80A.31.

(j) The offer and sale by a cooperative association organized under chapter 308A, of its securities when the securities are offered and sold only to its members, or when the purchase of the securities is necessary or incidental to establishing membership in such association, or when such securities are issued as patronage dividends.

(l) The issuance and delivery of any securities of one corporation to another corporation or its security holders in connection with a merger, exchange of shares, or transfer of assets whereby the approval of stockholders of the other corporation is required to be obtained, provided, that the commissioner has been furnished with a general description of the transaction and with other information as the commissioner by rule prescribes not less than ten days prior to the issuance and delivery.

(m) Any transaction between the issuer or other person on whose behalf the offering is made and an underwriter or among underwriters.

(n) The distribution by a corporation of its or other securities to its own security holders as a stock dividend or as a dividend from earnings or surplus or as a liquidating distribution; or upon conversion of an outstanding convertible security; or pursuant to a stock split or reverse stock split.

(o) Any offer or sale of securities by an affiliate of the issuer thereof if: (1) a registration statement is in effect with respect to securities of the same class of the issuer and (2) the offer or sale has been exempted from registration by rule or order of the commissioner.

(p) Any transaction pursuant to an offer to existing security holders of the issuer, including persons who at the time of the transaction are holders of convertible securities, nontransferable warrants, or transferable warrants exercisable within not more than 90 days of their issuance, if: (1) no commission or other remuneration (other than a standby commission) is paid or given directly or indirectly for soliciting any security holder in this state; and (2) the commissioner has been furnished with a general description of the transaction and with other information as the commissioner may by rule prescribe no less than ten days prior to the transaction.

(q) Any nonissuer sales of any security, including a revenue obligation, issued by the state of Minnesota or any of its political or governmental subdivisions, municipalities, governmental agencies, or instrumentalities."

Page 3, line 21, delete "5" and insert "6"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after the first semicolon, insert "80A.15, subdivision 2;"

The motion prevailed. So the amendment was adopted.

H.F. No. 1524 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dille	Krentz	Murphy	Riveness
Anderson	Finn	Langseth	Neuville	Robertson
Beckman	Flynn	Larson	Novak	Runbeck
Belanger	Frederickson	Lesewski	Oliver	Sams
Benson, D.D.	Hanson	Lessard	Olson	Samuelson
Benson, J.E.	Hottinger	Luther	Pappas	Spear
Berglin	Janezich	Marty	Pariseau	Stevens
Bertram	Johnson, J.B.	McGowan	Piper	Stumpf
Betzold	Johnston	Merriam	Pogemiller	Terwilliger
Chandler	Kelly	Metzen	Price	Vickerman
Cohen	Kiscaden	Mondale	Ranum	Wiener
Day	Knutson	Morse	Reichgott	

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

Mr. Luther moved that H.F. No. 299 be made a Special Order for immediate consideration. The motion prevailed.

### SPECIAL ORDER

H.F. No. 299: A bill for an act relating to elections; changing requirements and procedures for maintaining precinct boundary data; appropriating money; amending Minnesota Statutes 1992, sections 204B.14, subdivisions 5 and 6; and 204B.146.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 56 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dille	Langseth	Novak	Sams
Anderson	Finn	Larson	Oliver	Samuelson
Beckman	Flynn	Lesewski	Olson	Spear
Belanger	Frederickson	Lessard	Pappas	Stevens
Benson, D.D.	Hanson	Luther	Pariseau	Stumpf
Benson, J.E.	Hottinger	Marty	Piper	Terwilliger
Berglin	Janezich	McGowan	Price	Vickerman
Bertram	Johnson, J.B.	Merriam	Ranum	Wiener
Betzold	Johnston	Mondale	Reichgott	
Chandler	Kelly	Morse	Riveness	
Cohen	Kiscaden	Murphy	Robertson	
Day	Krentz	Neuville	Runbeck	

So the bill passed and its title was agreed to.

Mr. Luther moved that H.F. No. 608 be made a Special Order for immediate consideration. The motion prevailed.

### SPECIAL ORDER

H.F. No. 608: A bill for an act relating to agriculture; exempting certain nonprofit organizations from the requirement for a nursery stock dealer certificate; proposing coding for new law in Minnesota Statutes, chapter 18.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Day	Knutson	Mondale	Reichgott
Anderson	Dille	Krentz	Morse	Riveness
Beckman	Finn	Kroening	Murphy	Robertson
Belanger	Flynn	Laidig	Neuville	Runbeck
Benson, D.D.	Frederickson	Langseth	Novak	Sams
Benson, J.E.	Hanson	Larson	Oliver	Samuelson
Berg	Hottinger	Lesewski	Olson	Solon
Berglin	Janezich	Lessard	Pappas	Spear
Bertram	Johnson, D.E.	Luther	Pariseau	Stevens
Betzold	Johnson, J.B.	Marty	Piper	Stumpf
Chandler	Johnston	McGowan	Pogemiller	Terwilliger
Chmielewski	Kelly	Merriam	Price	Vickerman
Cohen	Kiscaden	Metzen	Ranum	Wiener

So the bill passed and its title was agreed to.

Mr. Luther moved that S.F. No. 880 be made a Special Order for immediate consideration. The motion prevailed.

### SPECIAL ORDER

S.F. No. 880: A bill for an act relating to the environment; changing methods for assessing and collecting hazardous waste administration fees; providing for rulemaking; amending Minnesota Statutes 1992, sections 116.12; and 473.811, subdivision 5b.

Mr. Morse moved to amend S.F. No. 880 as follows:

Page 5, after line 13, insert:

“Sec. 3. [SINGLE BILLING STATEMENT; REPORT.]

*(a) The commissioner of revenue, in cooperation with the pollution control agency, the office of waste management, the emergency response commission, and the seven metropolitan counties, shall evaluate the feasibility of collecting the following tax and fees using a single billing statement:*

*(1) the hazardous waste generator tax in Minnesota Statutes, section 115B.22;*

*(2) the hazardous waste administration fees in Minnesota Statutes, section 116.12;*

*(3) the pollution prevention fees in Minnesota Statutes, section 115D.12; and*

(4) the fees in Minnesota Statutes, sections 299K.09 and 299K.095.

(b) In doing the evaluation, the commissioner of revenue shall consider at least the following:

- (1) the benefits to the payers of the tax and fees;
- (2) the administrative cost savings;
- (3) the simplification possible in administering the tax and fee collections;
- (4) the degree of control that each of the affected agencies prefers to retain in administering its programs; and
- (5) any issues relating to cash flow from one fiscal year to the next.

(c) The commissioner of revenue shall submit a report by October 1, 1993, to the legislative commission on waste management, the senate environment and natural resources finance division, and the house of representatives committee on environment and natural resources finance. The report must include options and recommendations, including proposed legislation if necessary."

The motion prevailed. So the amendment was adopted.

S.F. No. 880 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Day	Knutson	Moe, R.D.	Reichgott
Anderson	Dille	Krentz	Mondale	Riveness
Beckman	Finn	Kroening	Morse	Robertson
Belanger	Flynn	Laidig	Neyville	Runbeck
Benson, D.D.	Frederickson	Langseth	Novak	Sams
Benson, J.E.	Hanson	Larson	Oliver	Samuelson
Berg	Hottinger	Lesewski	Olson	Solon
Berglin	Janezich	Lessard	Pappas	Spear
Bertram	Johnson, D.E.	Luther	Pariseau	Stevens
Betzold	Johnson, J.B.	Marty	Piper	Stumpf
Chandler	Johnson	McGowan	Pogemiller	Terwilliger
Chmielewski	Kelly	Merriam	Price	Vickerman
Cohen	Kiscaden	Metzen	Ranum	Wiener

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

## MOTIONS AND RESOLUTIONS - CONTINUED

### SUSPENSION OF RULES

Mr. Moe, R.D. moved that Joint Rule 2.06 be suspended as it relates to the Conference Committee report on S.F. No. 1620. The motion prevailed.

S.F. No. 1620 and the Conference Committee Report thereon were reported to the Senate.

### CONFERENCE COMMITTEE REPORT ON S.F. NO. 1620

A bill for an act relating to the organization and operation of state government; appropriating money for the general legislative, judicial, and

administrative expenses of state government; providing for the transfer of certain money in the state treasury; fixing and limiting the amount of fees, penalties, and other costs to be collected in certain cases; amending Minnesota Statutes 1992, sections 8.15; 15.38, by adding a subdivision; 15.50, by adding a subdivision; 15A.083, by adding a subdivision; 196.051, subdivision 3; 196.054, subdivision 2; 198.16; 270.063; 303.13, subdivision 1; 303.21, subdivision 3; 322A.16; 333.20, subdivision 4; 333.22, subdivision 1; 336.9-403; 336.9-404; 336.9-405; 336.9-406; 336.9-407; 336.9-413; 336A.04, subdivision 3; 336A.09, subdivision 2; 349A.10, subdivision 5; 357.021, subdivisions 1a and 2; 357.022; 357.08; 357.18, subdivision 3; 386.61, by adding a subdivision; 386.65; 386.66; 386.67; 386.68; 386.69; 508.82; 508A.82; and 593.48; Laws 1989, chapter 335, article 3, section 44, as amended; proposing coding for new law in Minnesota Statutes, chapters 129D; 386; and 609; repealing Minnesota Statutes 1992, sections 386.61, subdivision 3; 386.63; 386.64; and 386.70.

May 10, 1993

The Honorable Allan H. Spear  
President of the Senate

The Honorable Dee Long  
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 1620, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S.F. No. 1620 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [STATE GOVERNMENT APPROPRIATIONS.]

The sums shown in the columns marked “APPROPRIATIONS” are appropriated from the general fund, or another fund named, to the agencies and for the purposes specified in this act, to be available for the fiscal years indicated for each purpose. The figures “1993,” “1994,” and “1995,” where used in this act, mean that the appropriation or appropriations listed under them are available for the year ending June 30, 1993, June 30, 1994, or June 30, 1995, respectively.

#### SUMMARY BY FUND

	1993	1994	1995	BIENNIAL TOTAL
General	\$650,000	\$335,939,000	\$332,409,000	\$668,348,000
Environmental		206,000	206,000	412,000
Highway User		1,669,000	1,669,000	3,338,000
State Government				
Special Revenue		2,378,000	2,378,000	4,756,000
Special Revenue		4,338,000	4,338,000	8,676,000
Trunk Highway		1,032,000	1,032,000	2,064,000
Workers' Compensation		3,897,000	3,902,000	7,799,000
Game and Fish		140,000	140,000	280,000
TOTAL		349,599,000	346,074,000	695,673,000

APPROPRIATIONS  
Available for the Year  
Ending June 30  
1994                      1995

## Sec. 2. LEGISLATURE

Subdivision 1. Total Appropriation	46,009,000	48,909,000
------------------------------------	------------	------------

Summary by Fund

General	45,977,000	48,877,000
Trunk Highway	32,000	32,000

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

Subd. 2. Senate	14,736,000	15,787,000
-----------------	------------	------------

\$1,275,000 of the carryforward balance of the appropriation to the senate for fiscal year 1993 is canceled to the general fund.

Subd. 3. House of Representatives	20,500,000	21,904,000
-----------------------------------	------------	------------

Funds previously appropriated to the house of representatives and carried forward into the biennium beginning July 1, 1993, may be used only as provided in this section. The first \$400,000 of any carryforward must be placed in a special account that may be used only for special sessions, interim activity, or other public hearing or outreach purposes and related activities. Any additional funds may be used only for technology or telecommunication system improvements and related activities.

Subd. 4. Legislative Coordinating Commission	6,835,000	7,342,000
--	-----------	-----------

Summary by Fund

General	6,803,000	7,237,000
Trunk Highway	32,000	32,000

## (a) Legislative Reference Library

1994	1995
903,000	874,000

## (b) Revisor of Statutes

3,994,000	4,413,000
-----------	-----------

## (c) Great Lakes Commission

40,000	40,000
--------	--------

(d) Legislative Commission on the Economic Status of Women

180,000      175,000

(e) Legislative Commission on Employee Relations

106,000      104,000

(f) Legislative Commission on Pensions and Retirement

504,000      524,000

(g) Legislative Commission on Planning and Fiscal Policy

57,000      56,000

The second 50 percent of the appropriation to the department of finance for the statewide systems project is available only if the commissioner of finance seeks and receives a recommendation from the legislative commission on planning and fiscal policy on the degree to which the project will improve legislative access to information on the systems. The recommendation is advisory only. Failure of the commission to make a recommendation within 30 days of the commissioner's request shall be considered a negative recommendation. The commissioner shall seek a recommendation no later than October 1, 1993.

The legislative commission on planning and fiscal policy shall appoint a working group to work with the department of finance to facilitate improved legislative access to executive branch budgeting and accounting information that is public data.

(h) Legislative Commission to Review Administrative Rules

136,000      134,000

(i) Legislative Commission on Waste Management

179,000      177,000

(j) Legislative Water Commission

99,000      99,000

The legislative water commission shall report to the legislature by March 1,

1994, on water supply constraints in the area to be served by the Lewis and Clark rural water system. The report shall include the commission's analysis of the environmental and public policy aspects of importing or exporting water from the state.

(k) Mississippi River Parkway Commission

42,000      32,000

Summary by Fund

General	10,000	
Trunk Highway	32,000	32,000

\$10,000 the first year is from the general fund to the Mississippi river parkway commission to study the feasibility of starting an annual "Mississippi river games" competition. The sports event would rotate between the Twin Cities, St. Louis, Memphis, and New Orleans. The study shall consider possible events and potential sources of funding. The study must include methods for ensuring that there will be an approximately equal number of participants of each gender in the games. The commission shall report to the state government divisions of the house and senate by February 1, 1994.

(l) Legislative Coordinating Commission  
- General Support

273,000      267,000

(m) Legislative Coordinating Commission  
- Nongeneral Support

463,000      516,000

\$70,000 the first year and \$72,000 the second year are reserved for unanticipated costs of agencies in this subdivision and subdivision 5. The legislative coordinating commission may transfer necessary amounts from this appropriation to the appropriations of the agencies concerned, and the amounts transferred are appropriated to those agencies to be spent by them. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

\$95,000 the first year and \$99,000 the second year are for the state contribution to the National Conference of State Legislatures.

\$83,000 the first year and \$87,000 the second year are for the state contribution to the Council of State Governments.

\$182,000 the first year and \$233,000 the second year are for the subcommittee on geographic information systems.

\$8,000 the first year and \$8,000 the second year are for the regent candidate advisory council.

\$25,000 the first year and \$15,000 the second year are for the higher education board candidate advisory council.

Notwithstanding Laws 1991, chapter 356, article 9, section 8, the terms of the members of the initial higher education board shall expire as provided by this section. Four of the members appointed by the governor shall have their terms expire in three years, one in five years, and one in seven years from July 1, 1991. One member appointed by each higher education system shall have a term expiring five years from July 1, 1991, and one member appointed by each higher education system shall have a term expiring seven years from July 1, 1991. Members shall choose their terms by lot.

The legislative coordinating commission shall study the feasibility of coordinating television production and other public outreach facilities between the house of representatives and the senate.

The legislative coordinating commission shall study the feasibility of allowing senators whose offices are in the state office building and who are concerned about personal security to park in the state office building parking ramp.

(n) General Reduction

(141,000)      (142,000)

The legislative coordinating commission shall make a general reduction of \$283,000 in either year of the biennium from the legislative commissions. None

of the reduction may be taken from the legislative auditor, the legislative audit commission, or the legislative commission on employee relations.

Subd. 5. Legislative Audit Commission	3,938,000	3,949,000
---------------------------------------	-----------	-----------

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

(a) Legislative Audit Commission

15,000	15,000
--------	--------

(b) Legislative Auditor

3,923,000	3,934,000
-----------	-----------

\$115,000 the first year and \$115,000 the second year is for review of agency performance reports.

Subd. 6. Compensation Council

The salary increases for legislators and constitutional officers recommended in 1989 by the compensation council to take effect January 6, 1992, must not take effect until January 2, 1995.

A compensation council shall be appointed by September 1, 1993, in the manner provided in Minnesota Statutes, section 15A.082, subdivision 2. The compensation council, in consultation with outside compensation specialists, must evaluate and make recommendations to the senate committee on governmental operations and reform and the house committee on governmental operations and gambling on compensation levels, and procedures for periodically reviewing and adjusting compensation levels, for positions listed in Minnesota Statutes, sections 15A.081, subdivisions 1, 7, and 7b; and 15A.082, subdivision 1. The report must include comparisons with other comparable positions in the public and private sector and consider the non-monetary rewards of public service. The compensation council expires upon submission of the recommendations required by Minnesota Statutes, section 15A.082, subdivision 3.

Sec. 3. SUPREME COURT

Subdivision 1. Total Appropriation	\$ 18,135,000	\$ 18,135,000
------------------------------------	---------------	---------------

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

Subd. 2. Supreme Court Operations

3,860,000      3,860,000

\$2,500 the first year and \$2,500 the second year are for a contingent account for expenses necessary for the normal operation of the court for which no other reimbursement is provided.

\$25,000 the first year and \$25,000 the second year are to implement the racial bias task force recommendations.

Subd. 3. Civil Legal Services

4,507,000      4,507,000

\$4,507,000 the first year and \$4,507,000 the second year are for legal service to low-income clients and for family farm legal assistance under Minnesota Statutes, section 480.242. Any unencumbered balance remaining in the first year does not cancel but is available for the second year of the biennium. A qualified legal services program, as defined in Minnesota Statutes, section 480.24, subdivision 3, may provide legal services to persons eligible for family farm legal assistance under Minnesota Statutes, section 480.242.

Subd. 4. Family Law Legal Services

877,000      877,000

\$877,000 the first year and \$877,000 the second year are to improve the access of low-income clients to legal representation in family law matters and must be distributed under Minnesota Statutes, section 480.242, to the qualified legal services programs described in Minnesota Statutes, section 480.242, subdivision 2, paragraph (a). Any unencumbered balance remaining in the first year does not cancel and is available for the second year of the biennium.

Subd. 5. State Court Administration

7,237,000      7,237,000

\$75,000 of the appropriation in Laws 1992, chapter 571, article 18, section 8, is available until expended for the advisory task force on the juvenile justice system.

Subd. 6. Law Library Operations

1,654,000      1,654,000

Sec. 4. COURT OF APPEALS	5,700,000	5,700,000
--------------------------	-----------	-----------

Sec. 5. DISTRICT COURTS	60,423,000	60,423,000
-------------------------	------------	------------

Sec. 6. BOARD OF JUDICIAL STANDARDS	177,000	177,000
-------------------------------------	---------	---------

Sec. 7. TAX COURT	518,000	515,000
-------------------	---------	---------

Sec. 8. GOVERNOR AND LIEUTENANT GOVERNOR	3,470,000	3,471,000
--	-----------	-----------

This appropriation is to fund the offices of the governor and lieutenant governor.

\$16,000 the first year and \$16,000 the second year are for necessary expenses in the normal performance of the governor's duties for which no other reimbursement is provided.

\$1,000 the first year and \$1,000 the second year are for necessary expenses in the normal performance of the lieutenant governor's duties for which no other reimbursement is provided.

\$95,000 the first year and \$95,000 the second year are for membership dues of the National Governors Association.

\$20,000 the first year is for the Council of Great Lakes Governors.

During the biennium any seminars or training sessions regarding federal issues for federal budgeting that are conducted by the Washington office shall be made available to legislators and legislative staff. The Washington office shall notify the majority leader and the minority leader of the senate and the speaker and the minority leader of the house of representatives regarding the timing of the seminars.

By August 15 of each year, the commissioner of finance shall report to the chairs of the jobs, energy, and community development finance division of the senate

and the state government division of the house of representatives those personnel costs incurred by the office of the governor and the lieutenant governor that were supported by appropriations to other agencies during the previous fiscal year. The office of the governor shall inform the chairs of the divisions before initiating any interagency agreements.

Sec. 9. STATE AUDITOR	7,210,000	7,439,000
-----------------------	-----------	-----------

\$77,000 the first year and \$77,000 the second year are for an account the auditor may bill for costs associated with conducting single audits of federal funds. During the biennium, this account may be used only when no other billing mechanism is feasible.

The total amount accumulated during the biennium ending June 30, 1993 for potential back pay of salary and benefits for an employee of the state auditor who was discharged from employment on April 15, 1991, but who is contesting the discharge, shall be carried forward by the office of the state auditor for use in the biennium ending June 30, 1995.

\$45,000 each year is for annual compliance audits for Hennepin county.

Sec. 10. STATE TREASURER	2,461,000	2,473,000
--------------------------	-----------	-----------

\$1,135,000 each year is for the treasurer to pay for banking services by fees rather than by compensating balances.

Sec. 11. ATTORNEY GENERAL

Subdivision 1. Total Appropriation	22,641,000	22,470,000
------------------------------------	------------	------------

Summary by Fund

General	20,282,000	20,111,000
Special Revenue	178,000	178,000
Environmental	115,000	115,000
State Government		
Special Revenue	2,066,000	2,066,000

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

Subd. 2. Government Services

5,087,000	5,087,000
-----------	-----------

## Summary by Fund

General	3,021,000	3,021,000
State Government		
Special Revenue	2,066,000	2,066,000

## Subd. 3. Public and Human Resources

4,840,000	4,358,000
-----------	-----------

## Summary by Fund

General	4,662,000	4,180,000
Special Revenue	178,000	178,000

\$500,000 the first year for the Mille Lacs treaty litigation is available for expenditure with the approval of the governor after consultation with the legislative advisory commission under Minnesota Statutes, section 3.30. Any unencumbered balance remaining in the first year does not cancel, but is available for the second year.

## Subd. 4. Law Enforcement

4,172,000	4,193,000
-----------	-----------

## Summary by Fund

General	4,057,000	4,078,000
Environmental	115,000	115,000

## Subd. 5. Legal Policy and Administration

2,846,000	2,846,000
-----------	-----------

## Subd. 6. Business Regulation

4,310,000	4,317,000
-----------	-----------

\$15,000 the first year and \$15,000 the second year to the business regulation program of the attorney general to conduct, or contract for, data collection and analysis regarding gender equity in high school athletics.

## Subd. 7. Solicitor General

2,138,000	2,138,000
-----------	-----------

In order to increase the accountability of all parties and to simplify the current practices for paying for legal services, the attorney general shall establish a task force to review and make recommendations to the legislature regarding funding options to pay for all legal services pro-

vided to executive branch agencies. In addition to attorney general staff, members of the task force shall include fiscal staff from both houses of the legislature, staff of the department of finance, and staff from small and large executive branch client agencies. The ability to pay shall not be the only criteria used to allocate legal services. The task force shall study funding options that insure the availability of legal services from the attorney general's office essential to meet program needs of all executive branch agencies. The attorney general shall report the recommendations of the task force to the legislature by March 1, 1994.

#### Subd. 8. General Reduction

(752,000)      (469,000)

The attorney general shall allocate the general reduction among the office's programs.

#### Sec. 12. INVESTMENT BOARD

2,013,000      2,031,000

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

\$50,000 the first year and \$50,000 the second year are to evaluate bids for deferred compensation options and to review periodically the performance of companies currently under contract. All these costs must be assessed against the companies that have been awarded contracts.

#### Sec. 13. ADMINISTRATIVE HEARINGS

3,797,000      3,802,000

This appropriation is from the workers' compensation special compensation fund for considering workers' compensation claims.

\$100,000 each year is for an internship program in which students at Minnesota law schools will serve as law clerks for judges in the workers' compensation division.

\$180,000 each year is for additional clerical support for workers' compensation judges.

#### Sec. 14. OFFICE OF STRATEGIC AND LONG-RANGE PLANNING

3,576,000      3,596,000

\$844,000 the first year and \$866,000 the second year are for the land management information center.

#### Sec. 15. ADMINISTRATION

Subdivision 1. Total Appropriation	28,370,000	27,200,000
------------------------------------	------------	------------

##### Summary by Fund

General	24,148,000	22,978,000
Special Revenue	4,160,000	4,160,000
State Government		
Special Revenue	62,000	62,000

#### Subd. 2. Operations Management

4,823,000	4,645,000
-----------	-----------

Before purchasing and implementing electronic data interchange technology in the procurement process, the department must: (1) plan a reengineering of the process and develop a plan for implementing the reengineering; (2) develop policies and procedures on trading partner agreements for the project; (3) complete a life cycle analysis; and (4) develop a technology implementation plan. All plans and policies in this paragraph must be approved by the information policy office before hardware or software for the project is purchased.

The department shall assure that the EDI project is coordinated with the statewide systems project. The department shall involve affected state agencies and others in project planning and implementation.

Amounts appropriated for the EDI initiative may be spent in either year of the biennium.

The department of human services shall transfer \$33,000 each year to the department of administration to expand bulk purchasing of medical supplies for the medical assistance program.

#### Subd. 3. Intertechnologies Group

##### Summary by Fund

General	3,528,000	2,372,000
Special Revenue	4,160,000	4,160,000

The appropriation from the special revenue fund each year of \$4,160,000 is for

recurring costs of 911 emergency telephone service.

\$3,450,000 is appropriated as a loan from the general fund to the intertechnologies revolving fund for development of the STARS system. This amount must be repaid before the end of the biennium. Plans for expenditure of these funds must be approved by the information policy office before the funds are spent.

\$2,000,000 must be transferred from the intertechnology revolving fund to the general fund.

Notwithstanding any other law to the contrary, the commissioner of administration may, with the approval of the commissioner of finance, make loans from an internal service or enterprise fund to another internal service or enterprise fund.

#### Subd. 4. Facilities Management

8,850,000      8,860,000

\$4,485,000 the first year and \$4,484,000 the second year are for office space costs of the legislature and veterans organizations, for ceremonial space, and for statutorily free space.

\$150,000 the first year is to pay the department's portion of the settlement in *Sylvester Brothers, v. Burlington Northern, et al.*, for cleanup of the East Bethel landfill. The unobligated balance of the appropriation in Laws 1991, chapter 345, article 1, section 17, subdivision 4, for agency relocation, consolidation, and relocation, is canceled to the general fund.

The decision of the department of administration to deposit a March 1992 check from the Johns Manville Trust in the amount of \$302,749 in the asbestos abatement account in the state building fund is ratified.

#### Subd. 5. Administrative Management

##### Summary by Fund

General	4,603,000	4,656,000
Special Revenue	62,000	62,000

\$2,000 the first year and \$2,000 the

second year are for the state employees' band.

A biennial appropriation of \$124,000 to the commissioner of administration shall be used for processing and oversight of grants and allocations in the oil overcharge program. This appropriation is from oil overcharge money, as defined in Minnesota Statutes, section 4.071, in the special revenue fund.

\$1,271,000 the first year and \$1,272,000 the second year are for matching grants for public television.

\$600,000 the first year and \$600,000 the second year are for public television equipment needs. Equipment grant allocations shall be made after considering the recommendations of the Minnesota public television association. Special emphasis shall be given by public television grant recipients for children's programming such as the Sesame Street preschool educational program and extending Mr. Rogers Neighborhood to child care.

\$300,000 the first year and \$300,000 the second year are for operational grants to public educational radio stations, which must be allocated after considering the recommendations of the Association of Minnesota Public Educational Radio Stations under Minnesota Statutes, section 129D.14.

\$356,000 the first year and \$331,000 the second year are for equipment grants to public radio stations. These grants must be allocated after considering the recommendations of the Association of Minnesota Public Educational Radio Stations and Minnesota Public Radio, Inc.

\$25,000 the first year and \$25,000 the second year are for grants to the Twin Cities regional cable channel.

If an appropriation for either year for grants to public television or radio stations is not sufficient, the appropriation for the other year is available for it.

\$80,000 each year is for transfer to the bureau of mediation services for the office of dispute resolution.

All grants made by the System of Technology to Achieve Results (STAR) shall be distributed in a manner to ensure that grants are awarded throughout the state.

Subd. 6. Management Analysis

535,000      609,000

The management analysis division shall study the desirability of creating an independent information policy office. The division shall report its findings to the legislative commission on planning and fiscal policy by December 1, 1993. The commission shall make recommendations for any needed legislative changes to the house of representatives and senate governmental operations committees by February 1, 1994.

Subd. 7. Information Policy Office

1,809,000      1,836,000

\$181,000 the first year and \$185,000 the second year must be subtracted from the amount that would otherwise be payable to local government aid under Minnesota Statutes, chapter 477A, in order to fund the intergovernmental information systems advisory council.

\$115,000 the first year and \$90,000 the second year are for giving opinions under Minnesota Statutes, section 13.072.

Sec. 16. CAPITOL AREA ARCHITECTURAL AND PLANNING BOARD

326,000      334,000

Any unencumbered balance of the appropriation for the first year does not cancel and is available for use in the second year.

\$75,000 the first year and \$82,000 the second year are to create a memorial to Hubert H. Humphrey in the capitol area. Of these amounts, up to \$75,000 may be used by the board to select an appropriate site for the memorial. \$82,000 is available only as matched, one state dollar for three dollars, by contributions from non-state sources. The board shall establish design requirements, choose the design, and oversee construction of the memorial. In establishing the memorial, the board may accept money from nonstate sources

and contract with other private or public agencies. The appropriation is available until expended.

#### Sec. 17. FINANCE

Subdivision 1. Total Appropriation	24,527,000	16,662,000
------------------------------------	------------	------------

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

##### Subd. 2. Economic Analysis

289,000	300,000
---------	---------

##### Subd. 3. Accounting Services

19,303,000	12,711,000
------------	------------

\$4,640,000 the first year and \$3,869,000 the second year are to implement the accounts receivable project. The commissioner of finance may transfer money to the commissioners of human services and revenue and the attorney general. Any unencumbered balance remaining in the first year does not cancel but is available for the second year of the biennium.

\$10,300,000 the first year and \$4,700,000 the second year are for the statewide systems project. If the appropriation for the statewide systems project in either year is insufficient, the appropriation for the other year is available. The commissioner of finance shall report monthly during the biennium ending June 30, 1995, to the chairs of the senate finance committee and the house of representatives ways and means committee on the expenditure of this appropriation and the progress of the statewide systems project.

\$285,000 is for transfer by August 1, 1993, to the legislative commission on planning and fiscal policy for the purpose of improving legislative access to executive branch budgeting and accounting information. None of the other money appropriated in this section for the statewide systems project may be spent until the transfer to the legislative commission on planning and fiscal policy has occurred.

The budgeting and accounting portions of the statewide systems project must be

designed so that all public data in these systems are available to the legislature at the time the data are available to executive branch agencies.

The commissioner of finance, in consultation with affected agencies, shall re-engineer work processes in preparation for the new state accounting, purchasing, and personnel systems.

The commissioner shall develop a joint work plan with the department of administration to implement electronic data interchange. The commissioner shall prepare plans for migrating to open systems, and shall develop plans for an automated interface with the local government financial system. The commissioner must submit these plans to the information policy office for review and approval.

#### Subd. 4. Budget Analysis and Operations

2,089,000      2,147,000

By October 1, 1994, the commissioner of finance shall coordinate the preparation of a report which identifies the estimated direct and indirect budget savings anticipated from the enacted funding of investment initiatives within the fiscal year 1994-1995 budget. The report shall identify current and estimated future funding requirements as well as direct and indirect benefits by year covering the current and two future biennia. The commissioner shall subsequently report to the legislative commission on planning and fiscal policy by November 1 of each year documented costs and savings compared to original estimates. Each agency shall retain responsibility for monitoring and documenting savings. If actual savings and benefits vary from original estimates, the report must include agency plans to ensure ongoing savings.

#### Subd. 5. Cash and Debt Management

1,544,000      126,000

\$1,422,000 the first year is for grants to the cities of Minneapolis and St. Paul for debt service payments due on bonds issued for metropolitan area parks.

**Subd. 6. Management and Administrative Services**

1,302,000      1,378,000

**Sec. 18. EMPLOYEE RELATIONS****Subdivision 1. Total Appropriation**      8,059,000      7,932,000

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

**Subd. 2. Human Resources Management**

6,439,000      6,424,000

Thirty percent of the amount used each year to fund grants to the government training service is from the general fund. Seventy percent of the amount used each year to fund grants to the government training service must be subtracted from the amount that would otherwise be payable to local government aid under Minnesota Statutes, chapter 477A.

In order to maximize the delivery of services to the public, if layoffs of state employees as defined in Minnesota Statutes, chapter 43A, are necessary during the biennium ending June 30, 1995, the agency shall make every effort to reduce at least the same percentage of management and supervisory personnel as line and support personnel.

State agencies must demonstrate that they cannot use available staff before hiring outside consultants or services. As state agencies implement reductions in their operating budgets in the biennium ending June 30, 1995, agencies shall give priority to reducing spending on professional and technical contracts before laying off permanent employees. Agencies must report on the specific manner in which this directive is implemented to the senate finance and house ways and means committees by February 1, 1994, and February 1, 1995. Where outside consultants and services are necessary, agencies are encouraged to negotiate contracts that will involve permanent staff so as to upgrade and maximize training of state personnel. Money spent on outside consultants must be reported by February 1, 1995, to the senate finance and house of

representatives ways and means committees.

\$375,000 the first year and \$370,000 the second year is to begin implementation of the human resource management project recommendations regarding performance management system training, retraining project grants, centralized recruitment and redeployment, communications, and policy development.

The commissioner shall seek to enhance the availability of the job-sharing program under Minnesota Statutes, sections 43A.40 to 43A.46 to the extent that: (1) additional employees wish to participate in the program; and (2) use of the program is consistent with effective management of state agencies.

#### Subd. 3. Employee Insurance

1,620,000      1,508,000

\$104,000 the first year and \$104,000 the second year from the general fund are for the right-to-know contracts administered through the employee insurance division.

Any refund to the state from the workers' compensation reinsurance association before July 1, 1995, is to be deposited in the general fund. The portion of the refund that is not attributable to the general fund shall be paid to the proper fund by the commissioner of finance.

\$1,416,000 the first year and \$1,312,000 the second year from the general fund are for workers' compensation reinsurance premiums.

\$100,000 each year is for a health promotion and disease prevention grant program for state agencies. A state agency may apply to the commissioner of employee relations for a grant of up to \$25,000. In evaluating grant applications, the commissioner shall give highest priority to proposals that will maximize health care cost savings, maximize increased productivity, and minimize workers compensation claims. Each agency that receives a grant under this section must establish a committee that includes affected employees. The committee must assist the agency

in planning, implementing, and evaluating the programs implemented with grant funds. The commissioner of employee relations must report to the legislature by January 15, 1996. The report must evaluate the results of the grant program, including the effect of the program on health care costs, workers' compensation claims, and productivity.

#### Sec. 19. REVENUE

Subdivision 1. Total Appropriation	73,531,000	74,087,000
------------------------------------	------------	------------

##### Summary by Fund

General	71,446,000	72,002,000
Environmental	91,000	91,000
Highway User	1,669,000	1,669,000

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

#### Subd. 2. Income Tax System

36,208,000	36,643,000
------------	------------

\$3,100,000 each year is to improve direct services to taxpayers, expand individual and small business audit and nonfiler detection, and to provide ongoing development and support for new return filing and payment technologies.

#### Subd. 3. Withholding Tax System

5,651,000	5,639,000
-----------	-----------

#### Subd. 4. Sales and Use Tax System

25,519,000	25,637,000
------------	------------

##### Summary by Fund

General	23,459,000	23,577,000
Environmental	91,000	91,000
Highway User	1,669,000	1,669,000
Local Government Trust	300,000	300,000

#### Subd. 5. Property Tax System

6,128,000	6,143,000
-----------	-----------

\$55,000 the first year and \$55,000 the second year must be subtracted from the total taconite production tax revenues distributed to local units of government. These amounts shall be credited to the general fund and appropriated to the de-

partment of revenue for the costs and expenses incurred by the department in collecting and distributing taconite production tax revenues.

#### Subd. 6. Reporting

The commissioner shall report quarterly to the chairs of the senate finance and tax committees and house of representatives ways and means and tax committees and to the commissioner of finance on all funds expended and corresponding revenues received in the audit and collection divisions.

#### Sec. 20. AMATEUR SPORTS COMMISSION

	451,000	451,000
--	---------	---------

\$15,000 each year is available for promotion of women's sports.

#### Sec. 21. COMMISSIONER OF HUMAN RIGHTS

	3,211,000	3,171,000
--	-----------	-----------

For 1993 - \$150,000

This appropriation is to pay workers' compensation claims.

Of this appropriation, \$40,000 is for enhancement of information systems. Before purchasing hardware and software, the department shall develop an agency-wide strategic information plan and submit the plan to the information policy office for review and approval. The department shall use the plan to determine future system management needs, including administration, software project management, support staffing, and information asset security. The department shall develop a project information system life cycle analysis to identify costs, benefits, and risks, and a comprehensive records retention schedule for paper and electronic records. With the approval of the information policy office, the balance of the \$40,000 appropriation not needed for analysis of information management functions, can be used by the department to purchase hardware and software.

#### Sec. 22. MILITARY AFFAIRS

##### Subdivision 1. Total Appropriation

	9,248,000	9,249,000
--	-----------	-----------

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

Subd. 2. Maintenance of Training Facilities

5,361,000      5,362,000

The appropriation for planning and remodeling grants for 12 armories scheduled to be sold or disposed of pursuant to Laws 1992, chapter 511, article 2, section 50, is available until June 30, 1995.

Subd. 3. General Support

1,537,000      1,537,000

\$75,000 the first year and \$75,000 the second year are for expenses of military forces ordered to active duty under Minnesota Statutes, chapter 192. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Subd. 4. Enlistment Incentives

2,350,000      2,350,000

\$1,530,750 the first year and \$1,604,250 the second year are for the tuition reimbursement program.

\$484,250 the first year and \$410,750 the second year are for the reenlistment bonus program.

Obligations for the reenlistment bonus program, suspended on December 31, 1991, shall be paid from the amounts available within the entire enlistment incentives program.

If appropriations for either year of the biennium are insufficient, the appropriation from the other year is available. The appropriations for enlistment incentives are available until expended.

Sec. 23. VETERANS AFFAIRS

3,103,000      3,119,000

Of this appropriation, \$310,000 is for grants to county veterans offices for training of county veterans service officers.

\$1,048,000 the first year and \$1,048,000 the second year are for emergency financial and medical needs of veterans. For

the biennium ending June 30, 1995, the commissioner shall limit financial assistance to veterans and dependents to six months, unless recipients have been certified as ineligible for other benefit programs. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

With the approval of the commissioner of finance, the commissioner of veterans affairs may transfer the unencumbered balance from the veterans relief program to other department programs during the fiscal year. The commissioner of veterans affairs shall provide background information explaining why the unencumbered balance exists. The amounts transferred must be identified to the chairs of the senate finance committee division on state government and the house governmental operations and gambling committee division on state government finance.

\$250,000 the first year and \$250,000 the second year are for a grant to the Vinland National Center.

#### Sec. 24. VETERANS OF FOREIGN WARS

	31,000	31,000
--	--------	--------

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

#### Sec. 25. MILITARY ORDER OF THE PURPLE HEART

	10,000	10,000
--	--------	--------

#### Sec. 26. DISABLED AMERICAN VETERANS

	12,000	12,000
--	--------	--------

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

#### Sec. 27. STATE-PAID INSURANCE SUPPLEMENT

##### Subdivision 1. Appropriations

	4,890,000	4,890,000
--	-----------	-----------

Except as limited by the direct appropriations in this section, the amounts necessary to pay increases in employer-paid insurance benefits during the biennium are appropriated to the commissioner of finance from the various funds in the state treasury from which salaries are paid. In the case of salaries that are paid from one

fund, but that fund is reimbursed by another fund, the amounts necessary to make those reimbursements are also appropriated.

#### Summary by Fund

General	3,750,000	3,750,000
Game and Fish	140,000	140,000
Trunk Highway	1,000,000	1,000,000

#### Subd. 2. Increases Covered

The state-paid insurance benefit increases covered by this section are those paid to classified and unclassified employees and officers in the executive, judicial, and legislative branches of state government, and to employees of the Minnesota historical society, state university system, and community college system who are paid from state appropriations. The increases must be authorized by current law, be authorized by appropriate resolutions for employees of the legislature, or result from collective bargaining agreements and changes in employer-paid insurance benefits associated with those agreements which are given interim approval by the legislative commission on employee relations under Minnesota Statutes, sections 3.855 and 43A.18, or 179A.22, subdivision 4.

By January 1, 1994, the commissioner of employee relations must estimate any increases covered by this section and certify the amount necessary for each agency. During the biennium, the commissioner of finance shall transfer the necessary amounts to the proper accounts and shall promptly notify the house of representatives ways and means committee and the senate finance committee of the amount transferred to each appropriation account. If the appropriated amounts are insufficient, the commissioner of finance shall proportionally allocate available funding among agencies. Any appropriation balance remaining the first year does not cancel, but is available for the second year.

#### Sec. 28. GENERAL CONTINGENT ACCOUNTS

550,000      550,000

## Summary by Fund

General	200,000	200,000
Special Revenue	250,000	250,000
Workers' Compensation	100,000	100,000

The appropriations in this section must be spent with the approval of the governor after consultation with the legislative advisory commission under Minnesota Statutes, section 3.30.

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

The special revenue appropriation is available to be transferred to the attorney general when the costs to provide legal services to the health boards exceed the biennial appropriation to the attorney general from the special revenue fund. The boards receiving the additional services shall set their fees to cover the costs.

Sec. 29. TORT CLAIMS	300,000	300,000
----------------------	---------	---------

To be spent by the commissioner of finance.

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

Sec. 30. MINNESOTA STATE RETIREMENT SYSTEM	2,200,000	2,200,000
--	-----------	-----------

The amounts estimated to be needed for each program are as follows:

## (a) Legislators

2,000,000	2,000,000
-----------	-----------

Under Minnesota Statutes, sections 3A.03, subdivision 2; 3A.04, subdivisions 3 and 4; and 3A.11:

## (b) Constitutional Officers

200,000	200,000
---------	---------

Under Minnesota Statutes, sections 352C.031, subdivision 5; 352C.04, subdivision 3; and 352C.09, subdivision 2.

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

**Sec. 31. MINNEAPOLIS EMPLOYEES  
RETIREMENT FUND**

11,005,000

11,005,000

\$10,455,000 the first year and \$10,455,000 the second year are to the commissioner of finance for payment to the Minneapolis employees retirement fund under Minnesota Statutes, section 422A.101, subdivision 3. Payment must be made in four equal installments, March 15, July 15, September 15, and November 15, each year.

\$550,000 the first year and \$550,000 the second year are to the commissioner of finance for payment to the Minneapolis employees retirement fund for the supplemental benefit for pre-1973 retirees under Minnesota Statutes, section 356.865.

**Sec. 32. POLICE AND FIRE AMORTI-  
ZATION AID**

3,970,000

6,055,000

\$3,417,000 the first year and \$5,055,000 the second year are to the commissioner of revenue for state aid to amortize the unfunded liability of local police and salaried firefighters' relief associations, under Minnesota Statutes, section 423A.02. The reduction of \$2,085,000 the first year from amounts otherwise payable as amortization aid and supplemental amortization aid is due to excess investment earnings by the Minneapolis police and fire relief associations and reduces the aid apportionment otherwise payable to the city of Minneapolis on July 15, August 31, September 15, and November 15, 1993.

\$553,000 the first year and \$1,000,000 the second year are to the commissioner of revenue for supplemental state aid to amortize the unfunded liability of local police and salaried firefighters' relief associations under Minnesota Statutes, section 423A.02, subdivision 1a.

**Sec. 33. [BASE CUT TRANSFERS.]**

*For any agency assigned base cuts in this act, the proportion of agency base cuts for pass-through grants compared to total agency base cuts may not exceed the proportion of dollars appropriated for pass-through grants in the agency compared to total dollars appropriated to that agency.*

**Sec. 34. [3.196] [AUDITS.]**

*The house of representatives and the senate shall each contract with the state auditor or a certified public accountant to perform an audit at least biennially.*

Sec. 35. Minnesota Statutes 1992, section 3.971, is amended by adding a subdivision to read:

*Subd. 3. The legislative auditor, on a biennial schedule, shall review agency performance reports to review and comment on the appropriateness, validity, and reliability of the outcome measures and data collection efforts. The legislative auditor shall report the findings to agencies, the governor, the speaker of the house of representatives, and the president of the senate.*

Sec. 36. Minnesota Statutes 1992, section 8.15, is amended to read:

#### 8.15 [ATTORNEY GENERAL COSTS.]

The attorney general in consultation with the commissioner of finance shall assess executive branch agencies a fee for legal services rendered to them, except that the attorney general may not assess the department of human rights for legal representation on behalf of complaining parties who have filed a charge of discrimination with the department. The assessment against appropriations from other than the general fund must be the full cost of providing the services. The assessment against appropriations supported by fees must be included in the fee calculation. The assessment against appropriations from the general fund not supported by fees must be one-half of the cost of providing the services. An amount equal to the general fund receipts in the even-numbered year of the biennium is appropriated to the attorney general for each year of the succeeding biennium. All other receipts from assessments must be deposited in the state treasury and credited to the general fund.

The attorney general in consultation with the commissioner of finance shall assess political subdivisions fees to cover half the cost of legal services rendered to them; except that the attorney general may not assess a county any fee for legal services rendered in connection with a psychopathic personality commitment proceeding under section 526.10 for which the attorney general assumes responsibility under section 8.01.

#### Sec. 37. [11A.075] [DISCLOSURE OF EXPENSE REIMBURSEMENT.]

(a) *A member or employee of the state board must annually disclose expenses paid for or reimbursed by: (1) each investment advisor, consultant, or outside money manager under contract to the state board; (2) each investment advisor, consultant, or outside money manager that has bid on a contract offered by the state board during that year; and (3) each business, including officers or employees of the business, in which the state board has invested money under the board's control during the annual reporting period. The disclosure requirement of this paragraph does not apply to expenses or reimbursements from an investment advisor, consultant, money manager or business if the board member or employee received less than \$50 during the annual reporting period from that person or entity.*

(b) *For purposes of this section, expenses include payments or reimbursements for meals, entertainment, transportation, lodging, and seminars.*

(c) *The disclosure required by this section must be filed with the ethical practices board by April 15 each year. Each disclosure report must cover the*

previous calendar year. The statement must be on a form provided by the ethical practices board. An individual who fails to file the form required by this section or who files false information, is subject to penalties specified in sections 10A.09 and 10A.10.

**Sec. 38. [13.072] [OPINIONS BY THE COMMISSIONER.]**

**Subdivision 1. [OPINION; WHEN REQUIRED.]** (a) Upon request of a state agency, statewide system, or political subdivision, the commissioner may give a written opinion on any question relating to public access to government data, rights of subjects of data, or classification of data under this chapter or other Minnesota statutes governing government data practices. Upon request of any person who disagrees with a determination regarding data practices made by a state agency, statewide system, or political subdivision, the commissioner may give a written opinion regarding the person's rights as a subject of government data or right to have access to government data. If the commissioner determines that no opinion will be issued, the commissioner shall give the state agency, statewide system, political subdivision, or person requesting the opinion notice of the decision not to issue the opinion within five days of receipt of the request. If this notice is not given, the commissioner shall issue an opinion within 20 days of receipt of the request. For good cause and upon written notice to the person requesting the opinion, the commissioner may extend this deadline for one additional 30-day period. The notice must state the reason for extending the deadline. The state agency, statewide system, or political subdivision must be provided a reasonable opportunity to explain the reasons for its decision regarding the data. The commissioner or the state agency, statewide system, or political subdivision may choose to give notice to the subject of the data concerning the dispute regarding the data.

(b) This section does not apply to a question involving the exercise of a discretionary power specifically granted by statute to a responsible authority to withhold or grant access to government data in a manner different than the data's general statutory classification.

(c) A written opinion issued by the attorney general shall take precedence over an opinion issued by the commissioner under this section.

**Subd. 2. [EFFECT.]** Opinions issued by the commissioner under this section are not binding on the state agency, statewide system, or political subdivision whose data is the subject of the opinion, but must be given deference by a court in a proceeding involving the data. The commissioner shall arrange for public dissemination of opinions issued under this section. This section does not preclude a person from bringing any other action under this chapter or other law in addition to or instead of requesting a written opinion. A state agency, statewide system, political subdivision, or person that acts in conformity with a written opinion of the commissioner is not liable for compensatory or exemplary damages or awards of attorneys fees in actions under section 13.08 or for a penalty under section 13.09.

**Subd. 3. [FEE.]** A state agency, statewide system, or political subdivision that requests an opinion must pay a fee of \$200 for each request.

**Sec. 39. [15.90] [PURPOSE.]**

The purposes of sections 15.90 to 15.92 are:

(1) to generate information so that the legislature can determine the extent to which state programs are successful;

(2) to develop clear goals and priorities for state programs;

(3) to strengthen accountability to Minnesotans by providing a record of state government's performance in providing effective and efficient services; and

(4) to create appropriate incentives and systems that will allow and encourage the best work by state employees.

**Sec. 40. [15.91] [PERFORMANCE REPORTING FOR AGENCIES OF STATE GOVERNMENT.]**

*Subdivision 1. [DEFINITION.] For purposes of sections 15.90 to 15.92, "agency" means a department or agency, as designated in section 15.01.*

*Subd. 2. [PERFORMANCE REPORTS.] (a) Each agency shall develop a performance report for its operations. The report shall include each of the following items or an explanation of why an item does not apply to the agency:*

*(1) a statement of the mission, goals, and objectives of the agency including those set forth in statute;*

*(2) measures and goals of the output and outcome of the agency;*

*(3) identification of priority and other service populations, or other service measures, under current law and how those populations are expected to change within the period of the report;*

*(4) plans for how outcome information can be used as an incentive for improving state programs and program outcomes;*

*(5) requests for statutory flexibility needed to reach outcome goals;*

*(6) explanation of outcome information that could be available with new data collection systems; and*

*(7) other information that may be required.*

*The goals required under clause (1): (i) must be simple declarative statements of intent; (ii) should carry benchmarks for accomplishment; and (iii) should be specific enough so citizens can measure progress year to year.*

*(b) Each agency shall issue a draft report by November 1, 1993, a first annual report by September 1, 1994, and annual updated reports no later than September 1 of each year beginning in 1995. A report must cover a period of four years previous and two years in the future from the date that it is required to be issued, including previous forecasts versus actual measures.*

*(c) Each agency shall send a copy of each report issued to the governor, the speaker of the house of representatives, the president of the senate, the legislative commission on planning and fiscal policy, the legislative auditor, the commissioner of finance, and two copies to the legislative reference library.*

*(d) The legislative auditor shall review the drafts and give comments to agencies and the legislature before September 1, 1994, and shall review and give comments on annual reports on a rotating biennial schedule.*

(e) State agency reports shall be compiled as required in this paragraph. The commissioner of finance, in consultation with the commissioner of administration, the legislative commission on planning and fiscal policy, and the finance committees and divisions of the house of representatives and senate, shall:

- (1) develop forms and instructions for the use of the agencies in the preparation of their reports;
- (2) work with individual agencies to determine acceptable measures of workload, output, and outcome for use in reports; and
- (3) request any needed additional information concerning any agency report submitted.

Each agency shall include citizens, agency clients, consumer and advocacy groups, worker participation committees, managers, elected officials, and contractors in its planning.

**Sec. 41. [15.92] [WORKER PARTICIPATION COMMITTEES.]**

(a) In the development of outcome measures and incentive programs, each agency shall create a committee including representatives of employees and employers. The committee must be given adequate time to perform the functions prescribed in paragraph (b). Each exclusive representative of employees shall select a committee member from each of its bargaining units in each affected agency. The head of each agency shall select an employee member from each unit of employees not represented by an exclusive representative. The agency head shall also appoint one or more committee members to represent the agency. The number of members appointed by the agency head, however, may not exceed the total number of members representing bargaining units.

(b) A committee established under paragraph (a) shall:

- (1) identify other employer and employee issues related to improving the delivery of the agency's program and services;
- (2) identify barriers to the effective and efficient delivery of services;
- (3) participate in the development of the agency's outcome measures and incentive programs; and
- (4) meet as desired for the purpose of developing solutions to problems shared by employees and employer within the agency.

Sec. 42. Minnesota Statutes 1992, section 15A.083, is amended by adding a subdivision to read:

**Subd. 8. [LIMITS ON BONUS PAYMENTS.]** Notwithstanding any law to the contrary, an employee of the state lottery or of a public corporation or nonprofit corporation created by law may not receive bonus payments in any year that exceed ten percent of the employee's base salary for that year. For purposes of this section, bonus payments include any combination of merit pay, achievement awards, or any other cash payments in addition to base salary, other than severance pay or overtime or holiday pay. Groups covered by this section include, but are not limited to, the Workers' Compensation Reinsurance Association, the Minnesota Insurance Guaranty Association, the Fair plan, the Joint Underwriters Association, the Minnesota Joint Under-

writers Association, the Life and Health Guaranty Association, the Minnesota Comprehensive Health Association, the Minnesota State High School League, Minnesota Technology, Inc., Agricultural Utilization Research Institute, Minnesota Project Outreach Corporation, State Fund Mutual Insurance Company, the World Trade Center Corporation, and the State Agricultural Society. This section does not give any entity authority to grant a bonus not otherwise authorized by law.

Sec. 43. Minnesota Statutes 1992, section 16A.011, subdivision 5, is amended to read:

Subd. 5. [APPROPRIATIONS WAYS AND MEANS COMMITTEE.] "~~Appropriations~~ Ways and means committee" means the ~~appropriations~~ chief fiscal committee of the house of representatives.

Sec. 44. Minnesota Statutes 1992, section 16A.011, subdivision 6, is amended to read:

Subd. 6. [BIENNIUM.] "Biennium" means a period of two consecutive fiscal years beginning in an odd-numbered calendar year and ending in the next odd-numbered calendar year. ~~On July 1, 1984, the current biennium is the 1983-1985 biennium.~~

Sec. 45. Minnesota Statutes 1992, section 16A.011, subdivision 14, is amended to read:

Subd. 14. [FISCAL YEAR:] "Fiscal year" means the period beginning at midnight between June 30 and July 1 and ending 12 months later. ~~On July 1, 1984, the current fiscal year is 1985.~~

Sec. 46. Minnesota Statutes 1992, section 16A.04, subdivision 1, is amended to read:

Subdivision 1. [TO PREPARE, CONSULT, SUPERVISE.] The commissioner shall prepare the biennial budget with ~~four-year~~ projections ~~on~~ of revenues and expenditures ~~for both the biennial budget period and the biennium following the biennial budget period.~~ The governor shall supervise the preparation unless there is a governor-elect, who then shall provide the supervision.

Sec. 47. Minnesota Statutes 1992, section 16A.055, subdivision 1, is amended to read:

Subdivision 1. [LIST.] The commissioner shall:

(1) receive and record all money paid into the state treasury and safely keep it until lawfully paid out;

(2) manage the state's financial affairs;

(3) keep the state's general account books according to generally accepted government accounting principles;

(4) keep expenditure and revenue accounts according to generally accepted government accounting principles;

(5) develop, provide instructions for, prescribe, and manage a state uniform accounting system;

(6) provide to the state the expertise to ensure that all state funds are

accounted for under generally accepted government accounting principles; and

(7) coordinate the development of, and ~~develop~~ *maintain* standards for, internal auditing in state agencies and, in cooperation with the commissioner of administration, report to the legislature and the governor by December 31, 1990 of even-numbered years, on progress made.

Sec. 48. Minnesota Statutes 1992, section 16A.06, subdivision 4, is amended to read:

Subd. 4. ~~[OBJECTIVES REPORTING AGENCY PERFORMANCE.] The commissioner from time to time shall require each executive agency to write objectives on the department's form for its authorized activities and functions. The objectives must be specific as to amount and time so that their performance can be measured. The objectives must cover the current and the next biennium. Executive agencies shall prepare performance-based budget plans according to schedules, forms, and standards as established by the commissioner. The commissioner may also require other periodic reports of agency performance.~~

Sec. 49. Minnesota Statutes 1992, section 16A.065, is amended to read:

16A.065 [PREPAY SOFTWARE, SUBSCRIPTIONS, UNITED STATES DOCUMENTS.]

~~Despite Notwithstanding~~ section 16A.41, subdivision 1, the commissioner may allow an agency to make advance deposits or payments for software or software maintenance services for state-owned or leased electronic data processing equipment, for sole source maintenance agreements where it is not ~~cost effective~~ *cost-effective* to pay in arrears, for exhibit booth space rental when required by the renter to guarantee the availability of space, for registration fees where advance payment is required or advance payment discount is provided, and for newspaper, magazine, and other subscription fees customarily paid for in advance. The commissioner may also allow advance deposits by any department with the Library of Congress and federal Supervisor of Documents for items to be purchased from those federal agencies.

Sec. 50. Minnesota Statutes 1992, section 16A.10, subdivision 1, is amended to read:

Subdivision 1. ~~[BY MAY + AND SEPTEMBER + BUDGET FORMAT.] In each even-numbered calendar year the commissioner shall prepare the budget forms and instructions for all agencies, subject to the approval of the governor. The commissioner shall consult with request and receive advisory recommendations from the chairs of the senate finance committee and house of representatives appropriations ways and means committee, as well as their respective division chairs, before adopting a format for the biennial budget document. By May + June 15, the commissioner shall send the proposed budget forms to the appropriations and finance committees. The committees have until June + July 15 to give the commissioner their advisory recommendations on possible improvements. By September 1, the commissioner shall send each agency enough forms to make its budget estimates. To facilitate this consultation, the commissioner shall establish a working group consisting of executive branch staff and designees of the chairs of the senate finance and house of representatives ways and means committees. The commissioner must~~

involve this group in all stages of development of budget forms and instructions. The ~~forms~~ budget format must show actual expenditures and receipts for the two most recent fiscal years, estimated expenditures and receipts for the current fiscal year, and estimates for each fiscal year of the next biennium, ~~and an estimated appropriation balance at the end of the current fiscal year.~~ Estimated expenditures must be classified by funds and character of expenditures and may be subclassified by programs and activities. Agency revenue estimates must show how the estimates were made and what factors were used. Receipts must be classified by funds, programs, and activities. Expenditure and revenue estimates must be based on the law in existence at the time the estimates are prepared.

Sec. 51. Minnesota Statutes 1992, section 16A.10, subdivision 2, is amended to read:

Subd. 2. [BY OCTOBER ~~1~~ 15 AND NOVEMBER ~~15~~ 30.] By October ~~1~~ 15 of each even-numbered year, an agency must file the following with the commissioner:

(1) ~~its~~ budget and departmental earnings estimates for the most recent and current fiscal years;

(2) its upcoming biennial budget and departmental earnings estimates;

(3) a comprehensive and integrated statement of agency missions and outcome and performance measures; and

(4) a concise explanation of any ~~requests for increased appropriations, expansion planned changes in the level of services, or new activities;~~

~~(3) a statement of work done during the current biennium and proposed for the next biennium; and~~

~~(4) a list of each employee's name, title, and salary.~~

The commissioner shall prepare and file the budget estimates for an agency failing to file them. By November ~~15~~ 30, the commissioner shall send the final budget format, departmental earnings report, agency budget plans or requests for the next biennium, and copies of the filed material to the ~~appropriations~~ ways and means and finance committees, ~~except that the commissioner shall not be required to transmit information that identifies executive branch budget decision items.~~ At this time, a list of each employee's name, title, and salary must be available to the legislature, either on paper or through electronic retrieval.

Sec. 52. Minnesota Statutes 1992, section 16A.105, is amended to read:

#### 16A.105 [DEBT CAPACITY FORECAST.]

By ~~January 14~~ December 1 of each ~~odd-numbered~~ even-numbered year the governor shall submit to the legislature a debt capacity forecast. The debt capacity forecast must include statements of the indebtedness of the state for bonds, notes, and other forms of long-term indebtedness that are not accounted for in proprietary or fiduciary funds, including general obligation bonds, moral obligation bonds, revenue bonds, loans, grants payable, and capital leases. The forecast must show the actual amount of the debt service for at least the past two completed fiscal years, and the estimated amount for the current fiscal year and the next six fiscal years, the debt authorized and

unissued, the condition of the sinking funds, and the borrowing capacity for the next six fiscal years.

Sec. 53. Minnesota Statutes 1992, section 16A.11, subdivision 1, is amended to read:

Subdivision 1. [WHEN.] The governor shall submit a three-part budget to the legislature. Parts one and two, the budget message and detailed operating budget, must be submitted by the fourth ~~Monday~~ *Tuesday* in January in each odd-numbered year. Part three, the detailed recommendations as to capital expenditure, ~~need not be~~ *must be* submitted ~~until June 15~~ *as follows: agency capital budget requests by June 15 of each odd-numbered year; preliminary governor's recommendations by September 1 of each odd-numbered year; and final recommendations by February 1 of each even-numbered year.*

Sec. 54. Minnesota Statutes 1992, section 16A.11, subdivision 3, is amended to read:

Subd. 3. [PARTTWO: DETAILED BUDGET.] Part two of the budget, the detailed budget estimates both of expenditures and revenues, shall contain any statements on the financial plan which the governor believes desirable or which may be required by the legislature. *Part of the budget must be prepared using performance-based budgeting concepts. In this subdivision, "performance-based budgeting" means a budget system that identifies agency outcomes and results and provides comprehensive information regarding actual and proposed changes in funding and outcomes.* The detailed estimates shall include the budget ~~request plan~~ of each agency arranged in tabular form so it may readily be compared with the governor's budget for each agency. They shall also include, as part of each agency's organization chart, a summary of the personnel employed by the agency, showing the ~~complement approved by the legislature~~ *full-time equivalent positions* for the current biennium, ~~additional complement positions authorized through the governor or the commissioner, positions transferred into or out of the agency, additional part-time and seasonal positions and the number of full-time equivalent employees of all kinds employed by the agency on June 30 of the last complete fiscal year. The summary of the number of employees must list employees by employment status, including but not limited to full-time unlimited, part-time unlimited, full-time or part-time seasonal, intermittent, full-time or part-time temporary, full-time or part-time emergency, and other. The summary of personnel shall also be shown for each functional division of the agency, and for each fund and type of appropriation.~~

*Any increase in complement with the exception of federal positions, approved by the commissioner of finance as temporary positions, shall be reflected in the governor's budget recommendations to the legislature as change request items. These positions are not permanent positions until the legislature has approved the change request items.*

Sec. 55. [16A.122] [WORK FORCE PLANNING AND REPORTING.]

*Subdivision 1. [AGENCY AUTHORIZED WORK FORCE.] Within any limits imposed by law, state agencies may establish full-time, part-time, or seasonal positions as necessary to carry out assigned responsibilities and missions except that actual levels of employment are limited by availability of appropriated funding for salaries and benefits.*

*Subd. 2. [TRANSFERS FROM GRANTS PROHIBITED.] Unless otherwise provided by law, an agency must not use grant or flow-through funds for salaries or other operating purposes.*

*Subd. 3. [WORK FORCE REPORTING.] The commissioner shall prepare quarterly work force reports as required for accurate reporting of state employment levels, whether for internal analysis or for nationwide comparisons of public employment levels. The reports shall express total employment in terms of full-time equivalent positions; shall indicate changes from previous reporting periods; and shall take into account all positions, including full-time, part-time, temporary, and other employees. In this subdivision, a full-time equivalent position means 2,080 working hours per year; except that the number of work hours may vary, depending upon the exact number of working days in any given year. Independent contractors are not to be included within the definition of a full-time equivalent position.*

*Subd. 4. [BUDGET REPORTING.] For purposes of budgetary reporting, position counts must be expressed as full-time equivalents as stipulated in subdivision 3. Estimated positions must be based on actual funding in the year indicated. The biennial budget document submitted to the legislature by the governor shall indicate full-time equivalent base level positions, the number of projected positions, and the number of positions for each of the two years before the base year. The governor's budget recommendations shall clearly specify any proposed changes in full-time equivalent positions. All fiscal notes and any other budgetary items submitted to the legislature shall specify relevant changes, both in full-time equivalent positions and accompanying changes in salary dollars.*

**Sec. 56. [16A.1285] [DEPARTMENTAL EARNINGS.]**

*Subdivision 1. [DEFINITIONS.] In this section, "departmental earnings" means any charge for goods and services and any regulatory, licensure, or other similar charges levied by any state agency and paid by individuals, businesses, or other nonstate entities. This definition must not be construed to include general taxes collected by a state agency or charges for services provided by one state agency to another state agency.*

*Subd. 2. [POLICY.] Unless otherwise provided by law, specific charges falling within definitions stipulated in subdivision 1 must be set in the manner prescribed in this subdivision provided that: (1) agencies, when setting, adjusting, or authorizing any charge for goods or services that are of direct, immediate, and primary benefit to an individual, business, or other nonstate entity, shall set the charges at a level that neither significantly over recovers nor under recovers costs, including overhead costs, involved in providing the services; or (2) that agencies, when setting, adjusting, or establishing regulatory, licensure, or other charges that are levied, in whole or in part, in the public interest shall recover, but are not limited to, the costs involved in performance and administration of the functions involved.*

*Subd. 3. [DUTIES OF THE COMMISSIONER OF FINANCE.] The commissioner of finance shall classify, monitor, analyze, and report all departmental earnings that fall within the definition established in subdivision 1. Specifically, the commissioner shall:*

*(1) establish and maintain a classification system that clearly defines and distinguishes categories and types of departmental earnings and takes into*

account the purpose of the various earnings types and the extent to which various earnings types serve a public or private interest;

(2) prepare a biennial report that documents collection costs, purposes, and yields of all departmental earnings, the report to be submitted to the legislature on or before November 30 of each even-numbered year and to include estimated data for the year in which the report is prepared, actual data for the two years immediately before, and estimates for the two years immediately following; and

(3) prepare and maintain a detailed directory of all departmental earnings.

Subd. 4. [RULEMAKING.] (a) Unless otherwise exempted or unless specifically set by law, all charges for goods and services, licenses, and regulation must be established or adjusted as provided in chapter 14; except that agencies may establish or adjust individual charges when:

(1) charges for goods and services are provided for the direct and primary use of a private individual, business, or other similar entity;

(2) charges are nonrecurring;

(3) charges would produce insignificant revenues;

(4) charges are billed within or between state agencies; or

(5) charges are for admissions to or for use of public facilities operated by the state, if the charges are set according to prevailing market conditions to recover operating costs.

(b) In addition to the exceptions in paragraph (a), agencies may adjust charges, with the approval of the commissioner of finance, if the proposed adjustments are within consumer price level (CPI) ranges stipulated by the commissioner of finance, if the adjustments do not change the type or purpose of the item being adjusted.

(c) Any departmental earnings changes or adjustments authorized by the commissioner of finance must be reported to the chairs of the senate committee on finance and the house ways and means committee before August 1 of each year.

Subd. 5. [PROCEDURE.] The commissioner of finance shall review and comment on all departmental charges submitted for approval under chapter 14. The commissioner's comments and recommendations must be included in the statement of need and reasonableness and must address any fiscal and policy concerns raised during the review process.

Sec. 57. Minnesota Statutes 1992, section 16A.129, is amended by adding a subdivision to read:

Subd. 3. [CASH ADVANCES.] When the operations of any nongeneral fund account would be impeded by projected cash deficiencies resulting from delays in the receipt of grants, dedicated income, or other similar receivables, and when the deficiencies would be corrected within the budget period involved, the commissioner of finance may transfer general fund cash reserves into the accounts as necessary to meet cash demands. The cash flow transfers must be returned to the general fund as soon as sufficient cash balances are available in the account to which the transfer was made. Any interest earned

*on general fund cash flow transfers accrues to the general fund and not to the accounts or funds to which the transfer was made.*

Sec. 58. Minnesota Statutes 1992, section 16A.15, subdivision 1, is amended to read:

Subdivision 1. [REDUCTION.] (a) If the commissioner determines that probable receipts for the general fund will be less than anticipated, and that the amount available for the remainder of the biennium will be less than needed, the commissioner shall, with the approval of the governor, and after consulting the legislative advisory commission, reduce the amount in the budget reserve and cash flow reserve account established in subdivision 6 as needed to balance expenditures with revenue.

(b) An additional deficit shall, with the approval of the governor, and after consulting the legislative advisory commission, be made up by reducing unexpended allotments of any prior appropriation or transfer. Notwithstanding any other law to the contrary, the commissioner is empowered to defer or suspend prior statutorily created obligations which would prevent effecting such reductions.

(c) If the commissioner determines that probable receipts for any other fund, appropriation, or item will be less than anticipated, and that the amount available for the remainder of the term of the appropriation or for any allotment period will be less than needed, the commissioner shall notify the agency concerned and then reduce the amount allotted or to be allotted so as to prevent a deficit.

(d) In reducing allotments, the commissioner may consider other sources of revenue available to recipients of state appropriations and may apply allotment reductions based on all sources of revenue available.

(e) In like manner, the commissioner shall reduce allotments to an agency by the amount of any saving that can be made over previous spending plans through a reduction in prices or other cause.

Sec. 59. Minnesota Statutes 1992, section 16A.15, subdivision 5, is amended to read:

Subd. 5. [NOTICE TO COMMITTEES.] The commissioner shall notify the committees on finance and taxes and tax laws of the senate and the committees on ~~appropriations~~ *ways and means* and taxes of the house of representatives of a reduction in an allotment under ~~subdivision 4~~ *this section*. The notice must be in writing and delivered within 15 days of the commissioner's act. The notice must specify:

- (1) the amount of the reduction in the allotment;
- (2) the agency and programs affected;
- (3) the amount of any payment withheld; and
- (4) any additional information the commissioner determines is appropriate.

Sec. 60. Minnesota Statutes 1992, section 16A.15, subdivision 6, is amended to read:

Subd. 6. [BUDGET RESERVE AND CASH FLOW RESERVE ACCOUNT ESTABLISHED.] A budget reserve and cash flow reserve account is created in the general fund in the state treasury. The commissioner of finance shall, as

~~authorized from time to time by law, restrict part or all of the budgetary balance before reserves in the general fund for use as may be necessary to fund the budget reserve and cash flow reserve account as provided by law from time to time. The commissioner of finance shall transfer from the budget and cash flow reserve account the amount necessary to bring the total amount, including any existing balance in the account on July 1, 1992, to \$240,000,000. The amounts restricted shall remain in the account until drawn down under subdivision 1 or increased under section 16A.1541.~~

Sec. 61. Minnesota Statutes 1992, section 16A.152, is amended by adding a subdivision to read:

*Subd. 3. [USE.] The use of the budget reserve should be governed by principles based on the full economic cycle rather than the budget cycle. The budget reserve may be used when a negative budgetary balance is projected and when objective measures, such as reduced growth in total wages, retail sales, or employment, reflect downturns in the state's economy.*

Sec. 62. Minnesota Statutes 1992, section 16A.152, is amended by adding a subdivision to read:

*Subd. 5. [RESTORATION.] The restoration of the budget reserve should be governed by principles based on the full economic cycle rather than the budget cycle. Restoration of the budget reserve should occur when objective measures, such as increased growth in total wages, retail sales, or employment, reflect upturns in the state's economy. The budget reserve should be restored before new or increased spending commitments are made.*

Sec. 63. Minnesota Statutes 1992, section 16A.1541, is amended to read:

**16A.1541 [ADDITIONAL REVENUES; PRIORITY.]**

If on the basis of a forecast of general fund revenues and expenditures the commissioner of finance determines that there will be a positive unrestricted budgetary general fund balance at the close of the biennium, the commissioner of finance must allocate money to the budget reserve and cash flow reserve account until the total amount in the account equals five percent of total general fund appropriations for the current biennium as established by the most recent legislative session. Beginning in November 1990, forecast unrestricted budgetary general fund balances are first appropriated to restore the budget reserve and cash flow reserve account to \$550,000,000 and then to reduce the property tax levy recognition percent under section 121.904, subdivision 4a, to 27 percent before money is allocated to the budget reserve and cash flow reserve account under the preceding sentence.

Sec. 64. Minnesota Statutes 1992, section 16A.28, is amended to read:

**16A.28 [TREATMENT OF UNUSED APPROPRIATIONS.]**

*Subdivision 1. [CARRYFORWARD.] Agencies may carry forward unexpended and unencumbered nongrant operating balances from the first year of a biennium into the second year of the biennium.*

*Subd. 2. [USE OF CARRYFORWARD.] No money shall be carried forward without the approval of the commissioner of finance.*

*Subd. 3. [LAPSE.] Except as specifically provided for in appropriation acts, a part of an appropriation subject to this section Any portion of any appropriation not carried forward and remaining unexpended and unencum-*

bered at the close of a fiscal year lapses. ~~The commissioner shall see that the remainder is returned to the fund from which it was originally appropriated. Any appropriation amounts not carried forward and remaining unexpended and unencumbered at the close of a biennium lapse to the fund from which the appropriation was made.~~

Subd. 2 4. [REINSTATEMENT; FINAL LAPSE.] The commissioner may reinstate a lapsed appropriation within three months of the lapse. A reinstated appropriation lapses again no later than three months after it first lapsed. A payment under a reinstated appropriation may be made only under section 16A.15, subdivision 3.

Subd. 3 5. [PERMANENT IMPROVEMENTS.] An appropriation for permanent improvements, including the acquisition of real property does not lapse until the purposes of the appropriation are determined by the commissioner, after consultation with the affected agencies, to be accomplished or abandoned.

Subd. 4 6. [CANCELED SEPTEMBER 1.] On September 1 all allotments and encumbrances for the last fiscal year shall be canceled unless an agency head certifies to the commissioner that there is an encumbrance for services rendered or goods ordered in the last fiscal year, *or certifies that funding will be carried forward under subdivision 1.* The commissioner may: reinstate the part of the cancellation needed to meet the certified encumbrance or charge the certified encumbrance against the current year's appropriation.

Subd. 5 7. [EXCEPTIONS.] Except as otherwise expressly provided by law, subdivisions 1 to 4 6 apply to every appropriation of a stated sum for a specified purpose or purposes heretofore or hereafter made, but do not, unless expressly provided by law, apply to any fund or balance of a fund derived wholly or partly from special taxes, fees, earnings, fines, federal grants, or other sources that are by law appropriated for special purposes by standing, continuing, or revolving appropriations.

Sec. 65. Minnesota Statutes 1992, section 16A.281, is amended to read:

**16A.281 [APPROPRIATIONS TO LEGISLATURE EXEMPT.]**

*Except as provided in this section, section 16A.28 does not apply applies to appropriations made to the legislature, the senate, the house of representatives or its committees or commissions. An appropriation made to the legislature, the senate, the house of representatives, or a legislative commission or committee other than a standing committee, if not spent during the first year, may be spent during the second year of a biennium. An unexpended balance not carried forward and remaining unexpended and unencumbered at the end of a biennium lapses and shall be returned to the fund from which appropriated. Balances may be carried forward into the next biennium and credited to special accounts to be used only as follows: (1) for nonrecurring expenditures on investments that enhance efficiency or improve effectiveness; (2) to pay expenses associated with special sessions, interim activities, public hearings, or other public outreach efforts and related activities; and (3) to pay severance costs of involuntary terminations. The approval of the commissioner of finance under section 16A.28, subdivision 2, does not apply to the legislature. An appropriation made to the legislature, the senate, the house of representatives, or a standing committee for all or part of a biennium may be spent in either year of the biennium or the year before or after the biennium.*

## Sec. 66. [16A.285] [ALLOWED APPROPRIATION TRANSFERS.]

*An agency may transfer state agency operational money between programs within the same fund if: (1) the agency first notifies the commissioner as to the type and intent of the transfer; and (2) the transfer is consistent with legislative intent. If an amount is specified for an item within an activity, that amount must not be transferred or used for any other purpose.*

*The commissioner shall report the transfers to the chairs of the senate finance and house of representatives ways and means committees.*

Sec. 67. Minnesota Statutes 1992, section 16A.58, is amended to read:

## 16A.58. [COMMISSIONER CUSTODIAN OF PAYMENT DOCUMENTS.]

*The commissioner or the head of a state agency designated by the commissioner is the custodian of original documents on which money has been or may be paid out of or received in the state treasury.*

Sec. 68. Minnesota Statutes 1992, section 16A.69, subdivision 2, is amended to read:

Subd. 2. [TRANSFER BETWEEN ACCOUNTS.] Upon the awarding of final contracts for the completion of a project for construction or other permanent improvement, or upon the abandonment of the project, the agency to whom the appropriation was made may transfer the unencumbered balance in the project account to another project enumerated in the same section of that appropriation act. The transfer must be made only to cover bids for the other project that were higher than was estimated when the appropriation for the other project was made and not to cover an expansion of the other project. The money transferred under this section is appropriated for the purposes for which transferred. For transfers by the state board of technical colleges, the total cost of both projects and the required local share for both projects are adjusted accordingly. The agency proposing a transfer shall report to the chair of the senate finance committee and the chair of the house appropriations of representatives ways and means committee before the transfer is made under this subdivision.

Sec. 69. Minnesota Statutes 1992, section 16A.72, is amended to read:

## 16A.72 [INCOME CREDITED TO GENERAL FUND; EXCEPTIONS.]

*All income, including fees or receipts of any nature, shall be credited to the general fund, except:*

- (1) federal aid;
- (2) contributions, or reimbursements received for any account of any division or department for which an appropriation is made by law;
- (3) income to the University of Minnesota;
- (4) income to revolving funds now established in institutions under the control of the commissioners of corrections or human services;
- (5) investment earnings resulting from the master lease program, except that the amount credited to another fund or account may not exceed the amount of the additional expense incurred by that fund or account through participation in the master lease program;

(6) receipts from the operation of patients' and inmates' stores and vending machines, which shall be deposited in the social welfare fund in each institution for the benefit of the patients and inmates;

(7) money received in payment for services of inmate labor employed in the industries carried on in the state correctional facilities which receipts shall be credited to the current expense fund of those facilities;

(8) as provided in sections 16B.57 and 85.22; or

(9) as otherwise provided by law; and

(10) income to the Minnesota historical society.

Sec. 70. Minnesota Statutes 1992, section 16B.24, subdivision 9, is amended to read:

Subd. 9. [SMOKING IN STATE BUILDINGS.] (a) To protect the public health, comfort, and environment and to protect the nonsmoker's right to a smoke-free environment, smoking in all buildings managed or leased by the commissioner under subdivisions 1 and 6 is prohibited except in *veterans homes* where smoking areas have been designated under a policy adopted in accordance with paragraph (b).

(b) ~~Except as provided in paragraph (c), each state agency shall adopt a smoking policy for the space it occupies. Before placing a policy in effect, the agency shall submit the policy and a plan for implementing it to the commissioner of employee relations. The policy must:~~

~~(1) prohibit smoking entirely; or~~

~~(2) A veterans home may permit smoking only in designated areas, providing that existing physical barriers and ventilation systems can be used to prevent the presence of smoke in adjacent nonsmoking areas.~~

~~(c) An agency need not adopt a new policy governing an area in which smoking is prohibited under a policy in effect on January 1, 1989.~~

No employee complaining of a ~~smoke-induced discomfort violation of this subdivision~~ to a lessor, lessee, manager, or supervisor may be subjected to any disciplinary action as a result of making the complaint.

Sec. 71. Minnesota Statutes 1992, section 16B.41, as amended by Laws 1993, chapter 4, section 12, is amended to read:

16B.41 [STATE INFORMATION SYSTEMS MANAGEMENT POLICY OFFICE.]

Subdivision 1. [ESTABLISHMENT AND PURPOSE.] ~~An office of information systems management is created. The information policy office shall develop and establish a policy and standards for state agencies to follow for the development, purchase, and training for information systems. The purpose of the office is to develop, promote, and coordinate a state technology, architecture, standards and guidelines, information needs analysis techniques, contracts for the purchase of equipment and services, and training of state agency personnel on these issues.~~

Subd. 2. [RESPONSIBILITIES.] The office has the following duties:

(a) The office must develop and establish a state information architecture to ensure that further state agency development and purchase of information

systems equipment and software is directed in such a manner that individual agency information systems complement and do not needlessly duplicate or needlessly conflict with the systems of other agencies. In those instances where state agencies have need for the same or similar computer data, the commissioner shall ensure that the most efficient and cost-effective method of producing and storing data for or sharing data between those agencies is used. The development of this information architecture must include the establishment of standards and guidelines to be followed by state agencies. ~~The commissioner of administration must establish interim standards and guidelines by August 1, 1987. The office must establish permanent standards and guidelines by July 1, 1988.~~ On January 1, 1988, and every six months thereafter, any state agency that has purchased information systems equipment or software in the past six months, or that is contemplating purchasing this equipment or software in the next six months, must report to the office and to the chairs of the house ways and means committee and the senate finance committee on how the purchases or proposed purchases comply with the applicable standards and guidelines.

(b) The office shall assist state agencies in the planning and management of information systems so that an individual information system reflects and supports the state agency's and the state's mission, requirements, and functions.

(c) The office must review and approve all agency requests for legislative appropriations for the development or purchase of information systems equipment or software. Requests may not be included in the governor's budget submitted to the legislature, unless the office has approved the request.

(d) Each biennium the office must ~~rank in order of priority~~ rate agency requests for new appropriations for development or purchase of information systems equipment or software ~~based on established information management criteria~~. The office must submit this ~~ranking~~ rating to the legislature at the same time, or no later than 14 days after, the governor submits the budget message to the legislature. *The governor must provide information necessary to rate agency requests to the office.*

(e) The office must define, review, and approve major purchases of information systems equipment to (1) ensure that the equipment follows the standards and guidelines of the state information architecture; (2) ensure that the equipment is consistent with the information management principles adopted by the information policy council; (3) evaluate whether or not the agency's proposed purchase reflects a cost-effective policy regarding volume purchasing; and (4) ensure the equipment is consistent with other systems in other state agencies so that data can be shared among agencies, unless the office determines that the agency purchasing the equipment has special needs justifying the inconsistency. The commissioner of finance may not allot funds appropriated for major purchases of information systems equipment until the office reviews and approves the proposed purchase. A public institution of higher education must not purchase interconnective computer technology without the prior approval of the office.

(f) The office shall review the operation of information systems by state agencies and provide advice and assistance so that these systems are operated efficiently and continually meet the standards and guidelines established by the office. *These standards and guidelines shall emphasize uniformity that encourages information interchange, open systems environments, and porta-*

bility of information whenever practicable and consistent with an agency's authority and the Minnesota government data practices act. The office, in consultation with the intergovernmental information systems advisory council and the legislative reference library, shall adopt specific standards and guidelines to be met by each state agency within a time period fixed by the office in regard to the following:

(1) establishment of methodologies and systems directed at reducing and ultimately eliminating redundant storage of data and encouraging greater use of central databases;

(2) establishment of data retention schedules, disaster recovery plans and systems, security systems, and procedural safeguards concerning privacy of data;

(3) establishment of pricing policies and incentives that encourage electronic transfer of information in electronic forms, while giving due consideration to the value and cost of providing the information in those forms. These pricing policies may include preferential prices for information requested by a public entity for a public purpose; and

(4) establishment of information sales systems that utilize licensing and royalty agreements to the greatest extent possible, together with procedures for agency denial of requests for licenses or royalty agreements by commercial users or resellers of the information. Section 3.751 does not apply to these licensing and royalty agreements and the agreements must include provisions that section 3.751 does not apply and that the state is immune from liability under the agreement.

If an agency needs additional funds to comply with the requirements of this paragraph, the agency must first obtain approval of the proposal by the office as required by paragraph (c) before submitting it to the legislature.

(g) The office must conduct a comprehensive review at least every three years of the information systems investments that have been made by state agencies and higher education institutions. The review must include recommendations on any information systems applications that could be provided in a more cost beneficial manner by an outside source. The office must report the results of its review to the legislature and the governor.

(h) The office shall recommend to the legislature any statutory changes that are necessary or desirable to accomplish the duties described in this subdivision.

(i) The office must report to the legislature by January 15 each year on progress in implementing paragraph (f), clauses (1) to (4).

Subd. 3. [STAFF.] The office shall function as a division of the department of administration. The commissioner of administration shall appoint an interim office director and other interim staff and provide the necessary administrative support to the office. The employees and director shall serve in the unclassified service through June 30, 1988. On July 1, 1988, the employee positions established by this section, except the position of director, shall be placed in the classified service. The position of director shall remain in the unclassified service.

Subd. 4. [ADVISORY TASK FORCE.] The commissioner must appoint a state information systems advisory task force to help develop and coordinate

a state information architecture that is consistent with the information management direction developed by the information policy council; and make recommendations to the commissioner concerning the progress, direction, and needs of the state's information systems. The task force must include representatives of state agencies, the supreme court, higher education systems, librarians, local government, and private industry. The task force must also have two members of the house of representatives appointed by the speaker of the house and two members of the senate appointed by the senate committee on committees. No more than one member from the house of representatives and one from the senate shall be chosen from the same political party. The terms, compensation, and removal of nonlegislative members are as provided in section 15.059, but the task force does not expire until June 30, 1993.

Subd. 5. [COMPUTER IMPACT STATEMENT.] When a statutory change affects reporting and data collection requirements for local units of government, the state agency most responsible for the data collected and reported by the local units of government must file a computer impact statement with the office within 60 days of the final enactment of the statutory change. The statement must indicate the anticipated data processing costs associated with the change.

Sec. 72. Minnesota Statutes 1992, section 16B.43, subdivision 1, is amended to read:

Subdivision 1. [APPLICATION.] The authority of the commissioner under sections 16B.40 to 16B.42, 16B.44, and 16B.45 ~~does not apply~~ *applies to* ESV-IS, ~~but applies~~ *and to* SDE-IS and computer-related services provided to the department of education by the department of administration's information services bureau. For purposes of this section, "ESV-IS" and "SDE-IS" have the meanings given them in section 121.93.

Sec. 73. Minnesota Statutes 1992, section 16B.92, is amended to read:

16B.92 [LAND MANAGEMENT INFORMATION CENTER.]

Subdivision 1. [PURPOSE.] The purpose of the land management information center is to foster integration of environmental information and provide services in computer mapping and graphics, environmental analysis, and small systems development. The ~~commissioner~~ *director*, through the center, shall periodically study land use and natural resources on the basis of county, regional, and other political subdivisions.

Subd. 1a. [STATEWIDE NITRATE DATA BASE.] The ~~commissioner~~ *director*, through the center, shall maintain a statewide nitrate data base containing the data described in section 103A.403.

Subd. 2. [FEES.] The ~~commissioner~~ *director* shall set fees under section 16A.128, subdivision 2, reflecting the actual costs of providing the center's information products and services to clients. Fees collected must be deposited in the state treasury and credited to the land management information center revolving account. Money in the account is appropriated to the ~~commissioner~~ *director* for operation of the land management information system, including the cost of services, supplies, materials, labor, and equipment, as well as the portion of the general support costs and statewide indirect costs of the ~~department~~ *office* that is attributable to the land management information system. The ~~commissioner~~ *director* may require a state agency to make an

advance payment to the revolving fund sufficient to cover the agency's estimated obligation for a period of 60 days or more. If the revolving fund is abolished or liquidated, the total net profit from operations must be distributed to the funds from which purchases were made. The amount to be distributed to each fund must bear to the net profit the same ratio as the total purchases from each fund bear to the total purchases from all the funds during a period of time that fairly reflects the amount of net profit each fund is entitled to receive under this distribution.

Sec. 74. [TRANSFER OF LAND MANAGEMENT INFORMATION CENTER.]

*Subdivision 1. [TRANSFER.] The land management information center is transferred from the department of administration to the office of strategic and long-range planning, under Minnesota Statutes, section 15.039.*

*Subd. 2. [REVISOR INSTRUCTION.] In the next edition of Minnesota Statutes, the revisor of statutes shall codify Minnesota Statutes, section 16B.92 in chapter 4A.*

Sec. 75. Minnesota Statutes 1992, section 43A.045, is amended to read:

43A.045 [RESTRUCTURING.]

(a) It is the policy of the state of Minnesota that any restructuring of executive branch agencies ~~be accomplished while ensuring~~ must include efforts to ensure that fair and equitable arrangements are carried out to protect the interests of executive branch employees, and ~~while facilitating to provide~~ the best possible service to the public. The commissioner shall make an effort to train and retrain existing employees for a changing work environment. Where restructuring may involve a loss of existing positions and employment, the commissioner shall assist affected employees in finding suitable employment.

~~For (b) Options available to employees whose positions will be eliminated by implementation of a restructuring plan, options presented to employees must include but not be limited to, at a minimum, job and training opportunities necessary to qualify for another job in the same, an equal, or a lower classification within their current department or a similar job in another state agency.~~

(c) Implementation of this section, as well as procedures for notifying employees affected by restructuring plans, must be negotiated into collective bargaining agreements under chapter 179A. Nothing in this section shall be construed as diminishing any rights defined in collective bargaining agreements under this chapter or chapter 179A.

Sec. 76. Minnesota Statutes 1992, section 192.501, subdivision 2, is amended to read:

Subd. 2. [TUITION REIMBURSEMENT.] (a) The adjutant general shall establish a program providing tuition reimbursement for members of the Minnesota national guard in accordance with this section. An active member of the Minnesota national guard serving satisfactorily, as defined by the adjutant general, shall be reimbursed for tuition paid to a post-secondary education institution as defined by section 136A.15, subdivision 5, upon proof of satisfactory completion of course work.

(b) In the case of tuition paid to a public institution located in Minnesota, including any vocational or technical school, tuition is limited to an amount equal to 50 percent of the cost of tuition at that public institution, except as provided in this section. In the case of tuition paid to a Minnesota private institution or vocational or technical school or a public or private institution or vocational or technical school not located in Minnesota, reimbursement is limited to 50 percent of the cost of tuition for lower division programs in the college of liberal arts at the twin cities campus of the University of Minnesota in the most recent academic year, except as provided in this section.

(c) If a member of the Minnesota national guard is killed in the line of state active ~~duty~~ service or federally funded state active service as defined in section 190.05, subdivision 5b, the state shall reimburse 100 percent of the cost of tuition for post-secondary courses satisfactorily completed by any surviving spouse and any surviving dependents who are 24 23 years old or younger. Reimbursement for surviving spouses and dependents is limited in amount and duration as is reimbursement for the national guard member.

(d) The amount of tuition reimbursement for each eligible individual shall be determined by the adjutant general according to rules formulated within 30 days of June 4, 1989. Tuition reimbursement received under this section shall not be considered by the Minnesota higher education coordinating board or by any other state board, commission, or entity in determining a person's eligibility for a scholarship or grant-in-aid under sections 136A.095 to 136A.132.

Sec. 77. Minnesota Statutes 1992, section 196.051, subdivision 3, is amended to read:

Subd. 3. [FUNDS.] The commissioner may commingle the funds of persons who are under the commissioner's guardianship pursuant to authority granted by section 196.051. The commissioner shall keep complete and accurate accounts showing each transaction that occurs with respect to the funds of each person under the commissioner's guardianship. *Money in a guardianship fund is appropriated to the commissioner to carry out the guardianship.*

Sec. 78. Minnesota Statutes 1992, section 196.054, subdivision 2, is amended to read:

Subd. 2. [APPROPRIATION.] There is a veterans affairs resources fund in the state treasury. All money received by the department pursuant to subdivision 1 must be deposited in the state treasury and credited to the veterans affairs resources fund. ~~The commissioner may only use~~ Money from the veterans affairs resources fund *is appropriated to the commissioner* for operation, maintenance, repair of facilities, associated legal fees, and other related expenses ~~used~~ under subdivision 1.

Sec. 79. [197.608] [VETERANS SERVICE OFFICE GRANT PROGRAM.]

*Subdivision 1. [GRANT PROGRAM.] A veterans service office grant program is established to be administered by the commissioner of veterans affairs consisting of grants to counties to enable them to enhance the effectiveness of their veterans service offices.*

*Subd. 2: [RULE DEVELOPMENT.] The commissioner of veterans affairs*

shall consult with the Minnesota association of county veterans service officers in formulating rules to implement the grant program.

Subd. 3. [ELIGIBILITY.] To be eligible for a grant under this program, a county must:

(1) employ a county veterans service officer as authorized by sections 197.60 and 197.606, who is certified to serve in this position by the commissioner of veterans affairs;

(2) submit a written plan for the proposed expenditures to enhance the functioning of the county veterans service office in accordance with the program rules; and

(3) apply for the grant according to procedures to be established for this program by the commissioner and receive written approval from the commissioner for the grant in advance of making the proposed expenditures.

Subd. 4. [GRANT APPLICATION.] (a) A grant application must be submitted to the department of veterans affairs according to procedures to be established by the commissioner. The grant application must include a specific description of the plan for enhancing the operation of the county veterans service office.

(b) The commissioner shall approve a grant application only if it meets the criteria for eligibility as established and announced by the commissioner and there are sufficient funds remaining in the grant program to cover the amount of the grant. The commissioner may request modification of a plan. If the commissioner rejects a grant application, written reasons for the rejection must be provided to the applicant county and the county may modify the application and resubmit it.

Subd. 5. [QUALIFYING USES.] The commissioner of veterans affairs shall determine whether the plan specified in the grant application will enable the applicant county to enhance the effectiveness of its county veterans office.

Notwithstanding subdivision 3, clause (1), a county may apply for and use a grant for the training and education required by the commissioner for a newly employed county veterans service officer's certificate, or for the continuing education of other staff.

Subd. 6. [GRANT AMOUNT.] The amount of each grant must be determined by the commissioner of veterans affairs, and may not exceed the lesser of:

(1) the amount specified in the grant application to be expended on the plan for enhancing the effectiveness of the county veterans service office; or

(2) the county's share of the total funds available under the program, determined in the following manner:

(i) if the county's veteran population is less than 1,000, the county's grant share shall be \$2,000;

(ii) if the county's veteran population is 1,000 or more but less than 3,000, the county's grant share shall be \$4,000;

(iii) if the county's veteran population is 3,000 or more but less than 10,000, the county's grant share shall be \$6,000; or

(iv) if the county's veteran population is 10,000 or more, the county's grant share shall be \$8,000.

*In any year, only one-half of the counties in each of the four veteran population categories (i) to (iv) shall be awarded grants. Grants shall be awarded on a first-come first-served basis to counties submitting applications which meet the commissioner's criteria as established in the rules. Any county not receiving a grant in any given year shall receive priority consideration for a grant the following year.*

*In any year, after a period of time to be determined by the commissioner, any amounts remaining from undistributed county grant shares may be reallocated to the other counties which have submitted qualifying application.*

*The veteran population of each county shall be determined by the figure supplied by the United States Department of Veterans Affairs, as adopted by the commissioner.*

**Sec. 80. [197.609] [EDUCATION PROGRAM.]**

*Subdivision 1. [ESTABLISHMENT AND ADMINISTRATION.] An education program for county veterans service officers is established to be administered by the commissioner of veterans affairs.*

*Subd. 2. [ELIGIBILITY.] To be eligible for the program in this section, a person must currently be employed as a county veterans service officer as authorized by sections 197.60 to 197.606, and be certified to serve in that position by the commissioner of veterans affairs or be serving a probationary period as authorized by section 197.60, subdivision 2.*

*Subd. 3. [PROGRAM CONTENT.] The program in this section must include but is not limited to informing county veteran service officers of the federal, state, and private benefits and services available to veterans, training them in procedures for applying for these benefits, updating them on the changes in these benefits and the eligibility criteria and application procedures, informing them of judicial and regulatory decisions involving veterans programs, training them in the legal procedures for appealing decisions disallowing benefits to veterans, and providing education, information, and training for any other aspects of the veteran service officer position.*

**Sec. 81. Minnesota Statutes 1992, section 198.16, is amended to read:**

**198.16 [DONATIONS; GENERAL PURPOSES.]**

*The board is authorized to accept on behalf of the state any gift, grant, bequest, or devise made for the purposes of this chapter, and administer the same as directed by the donor. All proceeds therefrom including money derived from the sale of any real or personal property shall be deposited in the state treasury and credited to the Minnesota veterans home endowment, bequest, and devises fund. Said fund shall consist of two accounts, one of which shall include any trusts prescribed by the donor, the other shall include any currently expendable proceeds. Money in the fund is appropriated to the board for the purposes for which it was received. Disbursements from this fund shall be made in the manner provided for the issuance of other state warrants.*

*Whenever the board shall deem it advisable, in accordance with law, to sell or otherwise dispose of any real or personal property thus acquired, the commissioner of administration upon the request of the board shall sell or*

otherwise dispose of said property in the manner provided by law for the sale or disposition of other state property by the commissioner of administration.

Sec. 82. Minnesota Statutes 1992, section 240A.02, subdivision 1, is amended to read:

Subdivision 1. [MEMBERSHIP; COMPENSATION; CHAIR.] (a) The Minnesota amateur sports commission consists of ~~nine~~ 12 voting members, four of whom must be experienced in promoting amateur sports. *Nine of the voting members shall be appointed by the governor to three-year terms. Two legislators, one from each house appointed according to its rules, shall be nonvoting members. Compensation and removal of members and the filling of membership vacancies are as provided in section 15.0575. A member may be reappointed. The governor shall appoint the chair of the commission after consideration of the commission's recommendation.*

*(b) The governor, speaker of the house of representatives, and senate majority leader shall each appoint one additional voting member to the commission to a two-year term. The purpose of adding three members to the commission is to ensure gender balance in commission membership. Compensation, removal, and filling of vacancies of members appointed under this paragraph are as provided in section 15.0575. A member appointed under this paragraph may be reappointed.*

Sec. 83. Minnesota Statutes 1992, section 240A.03, is amended by adding a subdivision to read:

*Subd. 15. [ADVERTISING.] The commission may accept paid advertising in its publications. Funds received from advertising are annually appropriated to the commission for its publications. The commission must annually report the amount of funds received under this subdivision to the chair of the house of representatives ways and means and senate finance committees.*

Sec. 84. Minnesota Statutes 1992, section 270.063, is amended to read:

270.063 [COLLECTION OF DELINQUENT TAXES; COSTS.]

For the purpose of collecting delinquent state tax liabilities, there is appropriated to the commissioner of revenue an amount representing the cost of collection by contract with collection agencies, revenue departments of other states, or attorneys to enable the commissioner to reimburse these agencies, departments, or attorneys for this service, ~~or provide for the operating costs of collection activities of the department of revenue.~~ The commissioner shall report quarterly on the status of this program to the chair of the house tax and appropriation committees and senate tax and finance committees.

Notwithstanding section 16A.15, subdivision 3, the commissioner of revenue may authorize the prepayment of sheriff's fees, attorney fees, fees charged by revenue departments of other states, or court costs to be incurred in connection with the collection of delinquent tax liabilities owed to the commissioner of revenue.

Sec. 85. Minnesota Statutes 1992, section 271.07, is amended to read:

271.07 [STENOGRAPHIC REPORT; TRANSCRIPT.]

Except in the small claims division, the tax court shall provide for a verbatim stenographic report of all proceedings had before it upon appeals, as

required by the laws relating to proceedings in district court. *The cost of the stenographic record shall be paid by the party taking the appeal. The cost is a taxable cost under section 271.09.*

Sec. 86. Minnesota Statutes 1992, section 309.501, is amended to read:

309.501 [REGISTERED COMBINED CHARITABLE ORGANIZATIONS.]

Subdivision 1. [DEFINITIONS.] (a) As used in this section, the following terms have the meanings given them.

(b) "Registered combined charitable organization" means ~~an~~ *a federated funding organization:*

(1) which is tax exempt under section 501(c)3 of the Internal Revenue Code of 1986, as amended through December 31, ~~1990~~ 1992 (hereinafter "Internal Revenue Code"), and to which contributions are deductible under section 170 of the Internal Revenue Code;

(2) *which exists for purposes other than solely fundraising;*

(3) which secures funds for distribution to ~~ten~~ 14 or more ~~charitable~~ *affiliated agencies in a single, annual consolidated effort;*

(~~3~~) (4) which is governed by a *local, independent, voluntary board of directors which represents the broad interests of the public and 90 percent of the directors of the governing board live or work in the community or surrounding area;*

(4) (5) which distributes at least 70 percent of its total campaign income and revenue *to its affiliated agencies and to the designated agencies it supports and expends no more than 30 percent of its total income and revenue for management and general costs and fund raising costs;*

(~~5~~) (6) *which distributes at least 70 percent of its total campaign income and revenue to affiliated agencies and designated agencies that are incorporated in Minnesota or headquartered in the service-area in which the state employee combined charitable campaign takes place;*

(7) and each designated *or affiliated* agency supported by the recipient institution devotes substantially all of its activities directly to providing health, welfare, social, or other human services to individuals;

(~~6~~) (8) and each designated *or affiliated* agency supported by the recipient institution *with funds contributed by state employees through the combined charitable campaign provides all or substantially all of its health, welfare, social, or other human services, in the community and surrounding area in which the recipient institution's fund drive state employee combined charitable campaign takes place;*

(~~7~~) (9) *and each charitable agency is affiliated with no more than one registered combined charitable organization within the registered combined charitable organization's service area in the state's employee combined charitable campaign;* and

(10) which has been registered with the commissioner of ~~commerce~~ *employee relations* in accordance with this section.

(c) "Affiliated agency" means a charitable agency that is represented by a federation and has an ongoing relationship with that federation which involves a review and monitoring process to insure financial, managerial, and programmatic responsibility.

(d) "Charitable agency" means a governmental agency or an organization (1) which is tax exempt under section 501(c)3 of the Internal Revenue Code; (2) to which contributions are deductible under section 170 of the Internal Revenue Code; and (3) which is in compliance with the provisions of this chapter.

(e) "State employees combined charitable campaign" means the annual state campaign whereby a state employee may designate that the employee's contribution to a registered combined charitable organization may be deducted from the pay of the employee for each pay period.

Subd. 2. [DESIGNATED CONTRIBUTIONS.] A registered combined charitable organization may offer a state officer or employee the option of designating in writing that the amount deducted in section 16A.134, be designated to any charitable agency, whether or not the charitable agency receives funds from the single, annual consolidated effort. A registered combined charitable organization which offers this option shall provide a list of charitable agencies receiving funds and the amount each charitable agency receives in the annual report required pursuant to section 309.53.

Subd. 3. [REGISTRATION.] ~~An~~ (a) In order to participate in the state employee combined charitable campaign, a federated funding organization may shall apply to the commissioner of ~~commerce~~ employee relations as a registered combined charitable organization on or before June 1, 1993, and in 1994 and thereafter on or before March 1 in order to be eligible to participate in the campaign for that year.

~~An~~ (b) A federated funding organization which applies to the commissioner of employee relations shall provide the commissioner with all information the commissioner deems necessary to identify the charitable and tax exempt status of the organization and its compliance with the provisions of this chapter including, but not limited to the following:

(1) a copy of the organization's most recently filed annual report required by section 309.53, which shall also be filed with the attorney general;

(2) assurance of tax exempt status for the federated funding organization and each of the charitable agencies identified by the federated funding organization as an affiliated agency;

(3) assurance of proper registration with the attorney general of Minnesota to solicit contributions in the state of Minnesota for the federated funding organization and each of the charitable agencies identified by the federated funding organization as an affiliated agency. A copy of the registration letter must be available upon request;

(4) an affidavit signed by a duly constituted officer of the federated funding organization attesting to the fact that the federated funding organization and its affiliated agencies are in compliance with each of the provisions of this section;

(5) a list of the board of directors for the federated funding organization which identifies the address for each director; and

(6) a fee of \$100, or ten percent of the funds raised from state employees in the previous campaign, whichever is less.

(c) A registered combined charitable organization shall disclose in its solicitation and its annual report filed under section 309.53:

(a) (1) gross dollars received in contributions in the prior year;

(b) (2) names of, business addresses, and amount of money distributed to each affiliated charitable agency by the registered combined charitable organization;

(c) (3) percentage of gross dollars contributed which was directly received by the charitable agencies; and

(d) (4) projected percentage of the contribution to be received by the charitable agencies in the year for which the solicitation is being made.

If participating charitable agencies are required to pay any fees to the combined charitable organization, it shall also be disclosed in the solicitation and annual report. In the annual report the combined charitable organization shall include a list of charitable agencies to which donors specifically designated funds, and the amount designated to each agency. Notwithstanding section 309.53, subdivision 1a, each charitable agency shall file the report required in section 309.53. The commissioner shall consult with the attorney general to determine if the combined charitable organization and its charitable agencies are in compliance with this chapter.

(d) The commissioner shall register or not register the application of an organization within 60 days. No organization may apply to the commissioner more than once in a 12-month period calendar year. An organization whose application is denied has ten calendar days after receiving notice of the denial to appeal the decision or file an amended application correcting the deficiency. The commissioner shall register or not register the organization within ten calendar days of the submission of the appeal. If the organization fails to correct the deficiency and registration is denied a second time, the organization may appeal within five calendar days after being notified by the commissioner or the commissioner's designee that the deficiency has not been cured and the organization is not registered. A hearing shall be scheduled by the commissioner of employee relations and shall be held within 15 calendar days after receiving notice of the appeal. The provisions of chapter 14 do not apply to the hearing. The hearing shall be conducted in a manner considered appropriate by the commissioner. The commissioner's determination following the hearing shall be made within five calendar days after the hearing has been completed. Registered combined charitable organizations shall file the report required in section 309.53. The commissioner shall notify the commissioner of finance in writing of the decision to register an organization under this section by July 15.

(e) An organization whose application as a registered combined charitable organization is denied shall not be eligible to participate in the state employee combined charitable campaign for that year. Only organizations that are approved may participate in the state employee combined charitable campaign for the year of approval and only contributions authorized during the campaign may be deducted from an employee's pay pursuant to section 16A.134.

*Subd. 4. [COMPLIANCE WAIVER.] This subdivision applies only to the 1993 state employee combined charitable organization fund drive. A registered combined charitable organization that participated in the 1992 state employee's combined charitable organization's fund drive but that would not be qualified to participate in future fund drives because it will not satisfy the standards of this section, may certify to the commissioner of employee relations those provisions of subdivision 1 that it fails to meet and the extent of the inability to meet the specified standards, and may request a waiver of compliance. The commissioner shall issue a waiver to the registered combined charitable organization unless the provisions of subdivision 1 that the registered combined charitable organization fails to meet is subdivision 1, paragraph (b), clause (1) or (5).*

*To be entitled to a waiver, an organization must apply to the commissioner by the registration dates specified in subdivision 3.*

Sec. 87. Minnesota Statutes 1992, section 352.96, subdivision 3, is amended to read:

*Subd. 3. [EXECUTIVE DIRECTOR TO ADMINISTER SECTION.] This section must be administered by the executive director of the system under subdivision 4. Fiduciary activities of the deferred compensation plan must be undertaken in a manner consistent with chapter 356A. If the state board of investment so elects, it may solicit bids for options under subdivision 2, clauses (2) and (3). The state board of investment may retain consulting services to assist it in soliciting and evaluating bids and in the periodic review of companies offering options under subdivision 2, clause (3). The periodic review must occur at least every two years. The state board of investment may annually establish a budget for its costs in the soliciting, evaluating, and periodic review processes. The state board of investment may charge a proportional share of all costs related to the periodic review to each company currently under contract and may charge a proportional share of all costs related to soliciting and evaluating bids to each company selected by the state board. All contracts must be approved before execution by the state board of investment. Contracts must provide that all options in subdivision 2 must: be presented in an unbiased manner and in a manner that conforms to rules adopted by the executive director, be reported on a periodic basis to all employees participating in the deferred compensation program, and not be the subject of unreasonable solicitation of state employees to participate in the program. The contract may not call for any person to jeopardize the tax-deferred status of money invested by state employees under this section. All costs or fees in relation to the options provided under subdivision 2, clause (3), must be paid by the underwriting companies ultimately selected by the state board of investment.*

Sec. 88. Minnesota Statutes 1992, section 354B.05, is amended to read:

**354B.05 [ADMINISTRATION.]**

*Subdivision 1. [GOVERNING BOARDS.] The state university board shall administer the plan for persons in covered employment under section 354B.01, subdivisions 2, 4, and 5. The community college board shall administer the plan for persons in covered employment under section 354B.01, subdivision 3.*

*Subd. 2. [PURCHASE OF CONTRACTS.] The state university board and the community college board shall arrange for the purchase of annuity*

contracts, fixed, variable, or a combination of fixed and variable, or custodial accounts from financial institutions selected by the state board of investment under subdivision 3, to provide retirement and death benefits to members of the plan. The contracts or accounts must be purchased with contributions under section 354B.04 or money or assets otherwise provided by law or by authority of the state university board or community college board and acceptable by the financial institutions from which the contracts or accounts are purchased.

Subd. 3. [SELECTION OF FINANCIAL INSTITUTIONS.] The supplemental investment fund administered by the state board of investment is one of the investment options for the plan. The state university board and the community college board shall of investment may select no more than two other financial institutions to provide annuity contracts or custodial accounts products. Each board may at its discretion change a selection of an institution. Investment programs offered by the institutions must meet the requirements of section 401(a) or 403(b) of the Internal Revenue Code of 1986, as amended. In making their selections, the boards board shall consider at least these criteria:

- (1) the experience and ability of the financial institution to provide retirement and death benefits suited to the needs of the covered employees;
- (2) the relationship of the benefits to their cost; and
- (3) the financial strength and stability of the institution.

*The state board of investment must periodically review at least every three years each financial institution selected by the state board of investment. The state board of investment may retain consulting services to assist in the periodic review, may establish a budget for its costs in the periodic review process, and may charge a proportional share of those costs to each financial institution selected by the state board of investment. All contracts must be approved by the state board of investment before execution by the state university board and the community college board. The state board of investment shall also establish policies and procedures under section 11A.04, clause (2), to carry out this subdivision.*

The chancellor of the state university system and the chancellor of the state community college system shall redeem all shares in the accounts of the Minnesota supplemental investment fund held on behalf of personnel in the supplemental plan who elect an investment option other than the supplemental investment fund, except that shares in the fixed interest account must not be redeemed until the expiration dates for the guaranteed investment contracts. The chancellors shall transfer the cash realized to the financial institutions selected by the state university board and the community college board under section 354B.05.

Subd. 4. [BENEFITS OWNED BY MEMBERS.] The retirement and death benefits provided by the annuity contracts or custodial accounts are owned by the trust and must be paid in accordance with the provisions of the plan document.

#### Sec. 89. [REVIEW BY STATE BOARD OF INVESTMENT.]

*The state board of investment shall be responsible for periodic review of each financial institution under the provisions of section 88 as of the effective date of this section. Initial reviews must be with those financial institutions*

*under contract with the state university board and community college board on the effective date of this section. As provided in section 88, the state board of investment may retain consulting services, establish a budget for its costs, and charge a proportional share of those costs to those financial institutions.*

Sec. 90. Minnesota Statutes 1992, section 356.24, subdivision 1, is amended to read:

Subdivision 1. [RESTRICTION; EXCEPTIONS.] (a) It is unlawful for a school district or other governmental subdivision or state agency to levy taxes for, or contribute public funds to a supplemental pension or deferred compensation plan that is established, maintained, and operated in addition to a primary pension program for the benefit of the governmental subdivision employees other than:

(1) to a supplemental pension plan that was established, maintained, and operated before May 6, 1971;

(2) to a plan that provides solely for group health, hospital, disability, or death benefits, to the individual retirement account plan established by sections 354B.01 to 354B.04;

(3) to a plan that provides solely for severance pay under section 465.72 to a retiring or terminating employee;

(4) for employees other than personnel employed by the state university board or the community college board and covered by section 354B.07, subdivision 1, to:

(i) the state of Minnesota deferred compensation plan under section 352.96; or

(ii) payment of the applicable portion of the premium on a tax sheltered annuity contract qualified under section 403(b) of the federal Internal Revenue Code, purchased from a qualified insurance company; if provided for in a personnel policy or in the collective bargaining agreement of the public employer with the exclusive representative of public employees in an appropriate unit, in an amount matching employee contributions on a dollar for dollar basis, but not to exceed an employer contribution of \$2,000 a year per employee; or

(5) for personnel employed by the state university board or the community college board and covered by section 354B.07, subdivision 1, to the supplemental retirement plan under sections 354B.07 to 354B.09, if provided for in a personnel policy or in the collective bargaining agreement of the public employer with the exclusive representative of the covered employees in an appropriate unit, in an amount matching employee contributions on a dollar for dollar basis, but not to exceed an employer contribution of \$2,000 a year for each employee.

(b) A qualified insurance company is a company that:

(1) meets the definition in section 60A.02, subdivision 4;

(2) is licensed to engage in life insurance or annuity business in the state;

(3) is determined by the commissioner of commerce to have a rating within the top two rating categories by a recognized national rating agency or organization that regularly rates insurance companies; and

(4) is determined by the state board of investment to be among the ten applicant insurance companies with competitive options and investment returns on annuity products. The state board of investment determination must be made on or before January 1, 1993, and must be reviewed periodically. The state board of investment ~~shall~~ may retain actuarial services to assist it in this determination *and in its periodic review*. The state board of investment ~~shall~~ may annually establish a budget for its costs in ~~the any determination process~~ *and shall and periodic review processes*. The state board of investment may charge a proportional share of ~~that budget~~ *all costs related to the periodic review to those companies currently under contract and may charge a proportional share of all costs related to soliciting and evaluating bids in a determination process* to each ~~insurance~~ company selected by the state board of investment. All contracts must be approved before execution by the state board of investment. The state board of investment shall establish policies and procedures under section 11A.04, clause (2), to carry out this paragraph.

(c) A personnel policy for unrepresented employees or a collective bargaining agreement may establish limits on the number of vendors under paragraph (b), clause (4), that it will utilize and conditions under which the vendors may contact employees both during working hours and after working hours.

Sec. 91. Minnesota Statutes 1992, section 357.021, subdivision 1a, is amended to read:

Subd. 1a. (a) Every person, including the state of Minnesota and all bodies politic and corporate, who shall transact any business in the district court, shall pay to the court administrator of said court the sundry fees prescribed in subdivision 2. Except as provided in paragraph (d), the court administrator shall transmit the fees monthly to the state treasurer for deposit in the state treasury and credit to the general fund.

(b) In a county which has a screener-collector position, fees paid by a county pursuant to this subdivision shall be transmitted monthly to the county treasurer, who shall apply the fees first to reimburse the county for the amount of the salary paid for the screener-collector position. The balance of the fees collected shall then be forwarded to the state treasurer for deposit in the state treasury and credited to the general fund. *In a county in the eighth judicial district which has a screener-collector position, the fees paid by a county shall be transmitted monthly to the state treasurer for deposit in the state treasury and credited to the general fund.* A screener-collector position for purposes of this paragraph is an employee whose function is to increase the collection of fines and to review the incomes of potential clients of the public defender, in order to verify eligibility for that service.

(c) No fee is required under this section from the public authority or the party the public authority represents in an action for:

(1) child support enforcement or modification, medical assistance enforcement, or establishment of parentage in the district court, or child or medical support enforcement conducted by an administrative law judge in an administrative hearing under section 518.551, subdivision 10;

(2) civil commitment under chapter 253B;

(3) the appointment of a public conservator or public guardian or any other action under chapters 252A and 525;

(4) wrongfully obtaining public assistance under section 256.98 or 256D.07, or recovery of overpayments of public assistance;

(5) court relief under chapter 260;

(6) forfeiture of property under sections 609.531 to 609.5317;

(7) recovery of amounts issued by political subdivisions or public institutions under sections 246.52, 252.27, 256.045, 256.25, 256.87, 256B.042, 256B.14, 256B.15, 256B.37, and 260.251, or other sections referring to other forms of public assistance; or

(8) restitution under section 611A.04.

(d) The fees collected for child support modifications under subdivision 2, clause (13), must be transmitted to the county treasurer for deposit in the county general fund. The fees must be used by the county to pay for child support enforcement efforts by county attorneys.

Sec. 92. Minnesota Statutes 1992, section 357.021, subdivision 2, is amended to read:

Subd. 2. [FEE AMOUNTS.] The fees to be charged and collected by the court administrator shall be as follows:

(1) In every civil action or proceeding in said court, the plaintiff, petitioner, or other moving party shall pay, when the first paper is filed for that party in said action, a fee of ~~\$110~~ \$122.

The defendant or other adverse or intervening party, or any one or more of several defendants or other adverse or intervening parties appearing separately from the others, shall pay, when the first paper is filed for that party in said action, a fee of ~~\$110~~ \$122.

The party requesting a trial by jury shall pay ~~\$30~~ \$75.

The fees above stated shall be the full trial fee chargeable to said parties irrespective of whether trial be to the court alone, to the court and jury, or disposed of without trial, and shall include the entry of judgment in the action, but does not include copies or certified copies of any papers so filed or proceedings under chapter 103E, except the provisions therein as to appeals.

(2) Certified copy of any instrument from a civil or criminal proceeding, \$5, plus 25 cents per page after the first page, and \$3.50, plus 25 cents per page after the first page for an uncertified copy.

(3) Issuing a subpoena, \$3 for each name.

(4) Issuing an execution and filing the return thereof; issuing a writ of attachment, injunction, habeas corpus, mandamus, quo warranto, certiorari, or other writs not specifically mentioned, \$10.

(5) Issuing a transcript of judgment, or for filing and docketing a transcript of judgment from another court, \$7.50.

(6) Filing and entering a satisfaction of judgment, partial satisfaction, or assignment of judgment, \$5.

(7) Certificate as to existence or nonexistence of judgments docketed, \$5 for each name certified to.

(8) Filing and indexing trade name; or recording basic science certificate; or recording certificate of physicians, osteopaths, chiropractors, veterinarians, or optometrists, \$5.

(9) For the filing of each partial, final, or annual account in all trusteeships, \$10.

(10) For the deposit of a will, \$5.

(11) For recording notary commission, \$25, of which, notwithstanding subdivision 1a, paragraph (b), \$20 must be forwarded to the state treasurer to be deposited in the state treasury and credited to the general fund.

(12) When a defendant pleads guilty to or is sentenced for a petty misdemeanor other than a parking violation, the defendant shall pay a fee of \$5.

(13) Filing a motion or response to a motion for modification of child support, a fee fixed by rule or order of the supreme court.

(14) All other services required by law for which no fee is provided, such fee as compares favorably with those herein provided, or such as may be fixed by rule or order of the court.

The fees in clauses (3) and (4) need not be paid by a public authority or the party the public authority represents.

Sec. 93. Minnesota Statutes 1992, section 357.022, is amended to read:

**357.022 [CONCILIATION COURT FEE.]**

The court administrator in every county shall charge and collect a filing fee of ~~\$13~~ \$15 where the amount demanded is less than \$2,000 and \$25 where the amount demanded is \$2,000 or more from every plaintiff and from every defendant when the first paper for that party is filed in any conciliation court action. The court administrator shall transmit the fees monthly to the state treasurer for deposit in the state treasury and credit to the general fund.

Sec. 94. Minnesota Statutes 1992, section 357.08, is amended to read:

**357.08 [PAID BY APPELLANT IN APPEAL.]**

There shall be paid to the clerk of the appellate courts by the appellant, or moving party or person requiring the service, in all cases of appeal, certiorari, habeas corpus, mandamus, injunction, prohibition, or other original proceeding, when initially filed with the clerk of the appellate courts, the sum of \$200 \$250 to the clerk of the appellate courts. An additional filing fee of \$100 shall be required for a petition for accelerated review by the supreme court. A filing fee of \$200 \$250 shall be paid to the clerk of the appellate courts upon the filing of a petition for review from a decision of the court of appeals. A filing fee of \$200 \$250 shall be paid to the clerk of the appellate courts upon the filing of a petition for permission to appeal. A filing fee of \$100 shall be paid to the clerk of the appellate courts upon the filing by a respondent of a notice of review. The clerk shall transmit the fees to the state treasurer for deposit in the state treasury and credit to the general fund.

The clerk shall not file any paper, issue any writ or certificate, or perform any service enumerated herein, until the payment has been made for it. The clerk shall pay the sum into the state treasury as provided for by section 15A.01.

The charges provided for shall not apply to disbarment proceedings, nor to an action or proceeding by the state taken solely in the public interest, where the state is the appellant or moving party, nor to copies of the opinions of the court furnished by the clerk to the parties before judgment, or furnished to the district judge whose decision is under review, or to such law library associations in counties having a population exceeding 50,000, as the court may direct.

Sec. 95. Minnesota Statutes 1992, section 357.18, subdivision 3, is amended to read:

Subd. 3. [SURCHARGE.] In addition to the fees imposed in subdivision 1, a ~~\$2~~ \$4.50 surcharge shall be collected: on each fee charged under subdivision 1, clauses (1) and (6), and for each abstract certificate under subdivision 1, clause (4). ~~Forty~~ Fifty cents of each surcharge shall be retained by the county to cover its administrative costs and ~~\$1.60~~ \$4 shall be paid to the state treasury and credited to the general fund.

Sec. 96. Minnesota Statutes 1992, section 484.74, subdivision 1, is amended to read:

Subdivision 1. [AUTHORIZATION.] *Except for good cause shown*, in litigation involving an amount in excess of ~~\$50,000~~ \$7,500 in controversy, the presiding judge ~~may~~ shall, by order, direct the parties to enter nonbinding alternative dispute resolution. Alternatives may include private trials, neutral expert fact-finding, mediation, minitrials, and other forms of alternative dispute resolution. The guidelines for the various alternatives must be established by the presiding judge and must emphasize early and inexpensive exchange of information and case evaluation in order to facilitate settlement.

Sec. 97. Minnesota Statutes 1992, section 484.76, subdivision 1, is amended to read:

Subdivision 1. [GENERAL.] The supreme court shall establish a statewide alternative dispute resolution program for the resolution of civil cases filed with the courts. The supreme court shall adopt rules governing practice, procedure, and jurisdiction for alternative dispute resolution programs established under this section. The rules shall require the use of nonbinding alternative dispute resolution processes in all civil cases, *except for good cause shown by the presiding judge*, and must provide an equitable means for the payment of fees and expenses for the use of alternative dispute resolution processes.

Sec. 98. [491A.03] [JUDGES; REFEREES.]

*The judges of district court shall serve as judges of conciliation court. A majority of the judges of the district may appoint one or more suitable persons to act as referees in conciliation court; a majority of the judges of the district shall establish qualifications for the office, specify the duties and length of service of referees, and fix their compensation not to exceed an amount per day determined by the chief judge of the judicial district.*

Sec. 99. Minnesota Statutes 1992, 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), (10), (12), (13), (14), (16), (17), and (18), for filing or memorializing shall be paid to the state treasurer and credited to the general fund; plus a ~~\$2~~ \$4.50 surcharge shall be charged and collected in addition to the total fees charged for each transaction under clauses (2) to (5), (10), (12), (14), and (18), with 40 50 cents of this surcharge to be retained by the county to cover its administrative costs and ~~\$1.60~~ \$4 to be paid to the state treasury 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 residue certificate, \$20;

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

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

(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;

(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;

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

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

(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;

(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;

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

(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;

(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;

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

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

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

Sec. 100. Minnesota Statutes 1992, 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), (10), (12), (13), (14), (16), and (18), for filing or memorializing shall be paid to the state treasurer and credited to the general fund; plus a ~~\$2~~ \$4.50 surcharge shall be charged and collected in addition to the total fees charged for each transaction under clauses (2) to (5), (10), (12), (14), and (18), with 40 50 cents of this surcharge to be retained by the county to cover its administrative costs and ~~\$1.60~~ \$4 to be paid to the state treasury 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 residue CPT, \$20;

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

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

(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;

(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;

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

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

(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;

(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;

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

(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;

(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;

(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;

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

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

Sec. 101. Minnesota Statutes 1992, section 548.23, is amended to read:

548.23 [PLEA OF CONFESSION.]

Judgment in the cases mentioned in section 548.22 may also be entered in the district court in the manner therein provided, and with like effect, upon filing with the court administrator a plea of confession signed by an attorney of such court, together with an instrument signed by the debtor authorizing such confession; but such instrument must be distinct from that containing the bond, contract, or other evidence of the demand for which judgment is confessed. *Any person filing a plea of confession and an instrument under this section shall pay the same fee as provided for filing a civil action in district court; except that if the amount of the judgment confessed is not greater than the jurisdictional limit of the conciliation court, the fee shall be in the amount of the filing fee for an action in conciliation court.*

Sec. 102. Minnesota Statutes 1992, section 548.30, is amended to read:

548.30 [FEES.]

Any person filing a foreign judgment shall pay to the court administrator the same fee as provided for filing a civil action in district court, *except that if the amount of the judgment is not greater than the jurisdictional limit of the conciliation court, the fee shall be in the amount of the filing fee for an action in conciliation court.* Fees for docketing, transcription or other enforcement proceedings shall be as provided for judgments of any district court of this state.

Sec. 103. Minnesota Statutes 1992, section 549.02, is amended to read:

549.02 [COSTS IN DISTRICT COURTS.]

*Subdivision 1. [DISTRICT COURT.]* In actions commenced in the district court, costs shall be allowed as follows:

To plaintiff: (1) Upon a judgment in the plaintiff's favor of \$100 or more in an action for the recovery of money only, ~~\$100~~ \$200. (2) In all other actions, including an action by a public employee for wrongfully denied or withheld employment benefits or rights, except as otherwise specially provided, ~~\$100~~ \$200.

To defendant: Upon discontinuance or dismissal or when judgment is rendered in the defendant's favor on the merits, ~~\$100~~ \$200.

To the prevailing party: \$5.50 for the cost of filing a satisfaction of the judgment.

This section does not apply to actions removed to district court from conciliation court.

*Subd. 2. [ON APPEAL.]* Upon a judgment on the merits on appeal to the court of appeals or supreme court, additional costs in the amount of \$300 shall be allowed to the prevailing party.

Sec. 104. Minnesota Statutes 1992, section 593.48, is amended to read:

593.48 [COMPENSATION OF JURORS AND TRAVEL REIMBURSEMENT.]

A juror shall be reimbursed for round-trip travel between the juror's residence and the place of holding court *and compensated for required attendance at sessions of court and may be reimbursed for additional day care expenses incurred as a result of jury duty at a rate rates* determined by the supreme court, ~~and shall be compensated at a rate of \$15 for each day of required attendance at sessions of the court.~~ Except in the eighth judicial district where the state shall pay directly, the compensation and reimbursement shall be paid out of the county treasury upon receipt of authorization to pay from the jury commissioner. These jury costs shall be reimbursed monthly by the supreme court upon submission of an invoice by the county treasurer. A monthly report of payments to jurors shall be sent to the jury commissioner within two weeks of the end of the month in the form required by the jury commissioner.

Sec. 105. Minnesota Statutes 1992, section 609.101, subdivision 4, is amended to read:

Subd. 4. [MINIMUM FINES; OTHER CRIMES.] Notwithstanding any other law:

(1) when a court sentences a person convicted of a felony that is not listed in subdivision 2 or 3, it must impose a fine of not less than 20 percent of the maximum fine authorized by law nor more than the maximum fine authorized by law; and

(2) when a court sentences a person convicted of a gross misdemeanor or misdemeanor that is not listed in subdivision 2, it must impose a fine of not less than 20 percent of the maximum fine authorized by law nor more than the maximum fine authorized by law.

The court may not waive payment of the minimum fine or authorize payment of it in installments unless ~~the court makes written findings on the~~

~~record that~~ the convicted person is indigent or that the fine would create undue hardship for the convicted person or that person's immediate family.

The minimum fine required by this subdivision is in addition to the surcharge or assessment required by subdivision 1 and is in addition to any term of imprisonment or restitution imposed or ordered by the court.

Sec. 106. [609.103] [PAYMENT BY CREDIT CARD.]

*The court may permit the defendant to pay any fine, assessment, surcharge, attorney reimbursement obligation, or restitution obligation by credit card. The discount fees assessed by the credit card company shall be borne by the county, except in the eighth judicial district where the cost shall be borne by the state.*

Sec. 107. Laws 1989, chapter 335, article 3, section 44, as amended by Laws 1990, chapter 604, article 9, section 13, and Laws 1991, chapter 345, article 3, section 27, is amended to read:

Sec. 44. [APPLICATION.]

Sections 45 to 54, except the parts of section 54, that by their terms have broader application, apply only in the eighth judicial district for the period from January 1, 1990, to December 31, 1993 1999.

Those parts of section 54, having broader application, apply statewide for the period from July 1, 1989, to December 31, 1993 1999.

Sec. 108. [EARLY RETIREMENT INCENTIVES.]

*Subdivision 1. [EMPLOYER PARTICIPATION.] The early retirement incentives provided in this section may be offered to eligible employees by any public employer, as defined in Minnesota Statutes, section 179A.03, subdivision 15. The incentives must be offered to eligible employees of all state agencies if the commissioner of employee relations and the commissioner of finance certify that layoffs in any of the agencies would occur without the incentives.*

*The incentives in this section do not apply to a teacher, as defined in Minnesota Statutes, section 354.05, subdivision 2, or 354A.011, subdivision 27, employed by a local school board.*

*Subd. 2. [ELIGIBILITY.] A person employed by a public employer offering the incentive is eligible to receive the incentive if the person:*

*(1) has at least 25 years of combined service credit in any Minnesota public pension plans governed by Minnesota Statutes, section 356.30, subdivision 3, or for purposes of the incentive in subdivision 3, paragraph (b) only, is at least 65 years old and has at least one year of combined service credit in these pension plans;*

*(2) upon retirement is immediately eligible for a retirement annuity from a defined benefit plan, if the person is a member of a defined benefit plan;*

*(3) is at least 55 years of age; and*

*(4) retires on or after May 17, 1993, and before January 31, 1994.*

*Subd. 3. [INCENTIVE.] (a) A person may not choose both the incentive in paragraph (b) and the incentive in paragraph (c). An employer that is required to or chooses to offer the incentive must offer each employee eligible for both*

*incentives a choice between the incentive in paragraph (b) or the incentive in paragraph (c), except that employers whose employees are covered under Minnesota Statutes, sections 353.29 and 353.30, need not offer both incentives.*

*(b) For a person covered by a retirement plan established in Minnesota Statutes, section 352.115, 352.116, 353.29 or 353.30, or chapter 354 or 422A, who selects the incentive under this paragraph, the multiplier percentage used to calculate the retirement annuity must be increased for each year of service credit up to 30 years. The amount of the increase is: (i) .25 for each year of service credit calculated under Minnesota Statutes, section 352.115, 352.116, 353.29, or 353.30, or chapter 422A; and (ii) .10 for each year of service credit calculated under Minnesota Statutes, chapter 354 or 354A. If a person has more than 30 years of service credit, the increased multiplier applies only to the first 30 years.*

*(c) For a person who selects the incentive under this paragraph, the employer must pay for hospital, medical, and dental insurance, under conditions and limitations specified in this section. A person is eligible for this employer-paid insurance only if the person:*

*(1) is eligible for employer-paid insurance under a collective bargaining agreement or personnel plan in effect on the day before the effective date of this section;*

*(2) has at least as many months of service with the current employer as the number of months younger than age 65 the person is at the time of retirement; and*

*(3) is less than age 65.*

*(d) An employer that offers incentives under this section may not exclude eligible employees.*

*Subd. 4. [LIMITS ON REHIRING.] During the biennium ending June 30, 1995:*

*(1) an executive branch state agency may not hire a replacement for a person who retires under this subdivision except for (i) correctional guards and persons who provide direct patient care in state institutions; (ii) other positions listed in a position-specific written directive issued by the governor, or by the employing constitutional officer for positions in a constitutional office; or (iii) in the case of the state universities and community colleges, after review by the presidents, the governing boards decide on a case-by-case basis which positions must be replaced to provide for continuity of service on the campuses; and*

*(2) another public employer may not hire a replacement for a person who retires under this subdivision, except under position-specific action of the governing body.*

*Subd. 5. [CONDITIONS.] For purposes of this section, a person retires when the person terminates active employment and applies for retirement benefits. An employee who retires under this section using the rule of 90 must not be included in the calculations required by Minnesota Statutes, section 356.85.*

*Subd. 6. [CONDITIONS; INSURANCE COVERAGE.] A retired employee is eligible for single and dependent insurance coverages and employer*

payments to which the person was entitled immediately before retirement, subject to any changes in coverage and employer and employee payments through collective bargaining or personnel plans, for employees in positions equivalent to the position from which the employee retired. The retired employee is not eligible for employer-paid life insurance. Eligibility ceases when the retired employee attains the age of 65, or when the person chooses not to receive the retirement benefits for which the person has applied, or when the person is eligible for employer-paid health insurance from a new employer. Coverages must be coordinated with relevant health insurance benefits provided through the federally sponsored Medicare program.

**Subd. 7. [APPLICATION OF OTHER LAWS.]** Unilateral implementation of this section by a public employer is not an unfair labor practice for purposes of Minnesota Statutes, chapter 179A. The requirement in this section for an employer to pay health insurance costs for certain retired employees is not subject to the limits in Minnesota Statutes, section 179A.20, subdivision 2a.

**Sec. 109. [TRANSFER.]**

The responsibilities of the commissioner of administration for the office of dispute resolution are transferred under Minnesota Statutes, section 15.039, to the commissioner of mediation services.

**Sec. 110. [REPEALER.]**

(a) Minnesota Statutes 1992, section 309.502, is repealed.

(b) Minnesota Statutes 1992, sections 16A.095, subdivision 3; 16A.123; 16A.128; 16A.1281; 16A.35; 16A.45, subdivisions 2 and 3; 16A.80; and 290A.24, are repealed.

(c) Minnesota Statutes 1992, section 13.072, is repealed effective August 1, 1995.

**Sec. 111. [REVISOR INSTRUCTION.]**

In the next edition of Minnesota Statutes, the revisor of statutes shall renumber sections 16A.15, subdivision 1, as 16A.152, subdivision 4; 16A.15, subdivision 5, as 16A.152, subdivision 6; 16A.15, subdivision 6, as 16A.152, subdivision 1; 16A.15, subdivision 7, as 16A.152, subdivision 7; 16A.1541 as 16A.152, subdivision 2. The revisor shall also conform cross-references to the renumbered provisions.

**Sec. 112. [EFFECTIVE DATE.]**

(a) Section 34 is effective the day after final enactment and requires an audit for fiscal year 1993.

(b) Section 42 is effective the day following final enactment. Section 42 does not apply if prohibited by contract, but the appointing authority must amend the contract as soon as possible to comply with section 42.

(c) Section 76 is effective retroactively to January 1, 1993.

(d) Sections 86, 87, 88, 89, 90, 108, and 110, paragraph (a), are effective on the day following final enactment.

(e) Section 65 is effective June 30, 1995, and applies to appropriations to the legislature, the senate, the house of representatives, or a legislative commission or committee that are unexpended and unencumbered on June 30, 1995."

Delete the title and insert:

"A bill for an act relating to the organization and operation of state government; appropriating money for the general legislative, judicial, and administrative expenses of state government; providing for the transfer of certain money in the state treasury; fixing and limiting the amount of fees, penalties, and other costs to be collected in certain cases; transferring certain duties and functions; amending Minnesota Statutes 1992, sections 3.971, by adding a subdivision; 8.15; 15A.083, by adding a subdivision; 16A.011, subdivisions 5, 6, and 14; 16A.04, subdivision 1; 16A.055, subdivision 1; 16A.06, subdivision 4; 16A.065; 16A.10, subdivisions 1 and 2; 16A.105; 16A.11, subdivisions 1 and 3; 16A.129, by adding a subdivision; 16A.15, subdivisions 1, 5, and 6; 16A.152, by adding subdivisions; 16A.154; 16A.28; 16A.281; 16A.58; 16A.69, subdivision 2; 16A.72; 16B.24, subdivision 9; 16B.41; 16B.43, subdivision 1; 16B.92; 43A.045; 192.501, subdivision 2; 196.051, subdivision 3; 196.054, subdivision 2; 198.16; 240A.02, subdivision 1; 240A.03, by adding a subdivision; 270.063; 271.07; 309.501; 352.96, subdivision 3; 354B.05; 356.24, subdivision 1; 357.021, subdivisions 1a and 2; 357.022; 357.08; 357.18, subdivision 3; 484.74, subdivision 1; 484.76, subdivision 1; 508.82; 508A.82; 548.23; 548.30; 549.02; 593.48; and 609.101, subdivision 4; proposing coding for new law in Minnesota Statutes, chapters 3; 11A; 13; 15; 16A; 197; and 609; proposing coding for new law as Minnesota Statutes, chapter 491A; repealing Minnesota Statutes 1992, sections 13.072; 16A.095, subdivision 3; 16A.123; 16A.128; 16A.1281; 16A.35; 16A.45, subdivisions 2 and 3; 16A.80; 290A.24; and 309.502; Laws 1989, chapter 335."

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

Senate Conferees: (Signed) Richard J. Cohen, Gene Merriam, William P. Luther, Patrick D. McGowan, Dennis R. Frederickson

House Conferees: (Signed) Richard "Rick" Krueger, Phyllis Kahn, Bob Johnson, Jerry Knickerbocker, Bob Haukoos

Mr. Cohen moved that the foregoing recommendations and Conference Committee Report on S.F. No. 1620 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 1620 was read the third time, as amended by the Conference Committee, and placed on its repassage.

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

The roll was called, and there were yeas 54 and nays 11, as follows:

Those who voted in the affirmative were:

Adkins	Hottinger	Laidig	Murphy	Runbeck
Anderson	Janezich	Langseth	Novak	Sams
Beckman	Johnson, D.E.	Larson	Oliver	Samuelson
Benson, J.E.	Johnson, D.J.	Lesewski	Olson	Solon
Betzold	Johnson, J.B.	Luther	Pappas	Spear
Chandler	Johnston	Marty	Pariseau	Stevens
Chmielewski	Kelly	McGowan	Piper	Stumpf
Cohen	Kiscaden	Merriam	Pogemiller	Terwilliger
Dille	Knutson	Metzen	Price	Vickerman
Flynn	Krentz	Moe, R.D.	Reichgott	Wiener
Frederickson	Kroening	Morse	Robertson	

Those who voted in the negative were:

Belanger  
Benson, D.D.  
Berg

Berglin  
Bertram

Day  
Finn

Mondale  
Neuville

Ranum  
Riveness

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

## MOTIONS AND RESOLUTIONS - CONTINUED

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

## REPORTS OF COMMITTEES

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

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

S.F. No. 579: A bill for an act relating to retirement; the public employees retirement association; increasing the pension benefit multiplier for the public employees police and fire fund; permitting election of coverage in the public employees defined contribution plan for certain former elected officials; amending Minnesota Statutes 1992, sections 353.65, by adding a subdivision; 353.651, subdivision 3; and 353.656, subdivision 1.

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

Page 1, after line 10, insert:

“Section 1. Minnesota Statutes 1992, section 352.01, subdivision 2b, is amended to read:

Subd. 2b. [EXCLUDED EMPLOYEES.] “State employee” does not include:

(1) elective state officers;

(2) students employed by the University of Minnesota, the state universities, and community colleges unless approved for coverage by the board of regents, the state university board, or the state board for community colleges, as the case may be;

(3) employees who are eligible for membership in the state teachers retirement association except employees of the department of education who have chosen or may choose to be covered by the Minnesota state retirement system instead of the teachers retirement association;

(4) employees of the University of Minnesota who are excluded from coverage by action of the board of regents;

(5) officers and enlisted personnel in the national guard and the naval militia who are assigned to permanent peacetime duty and who under federal law are or are required to be members of a federal retirement system;

(6) election officers;

(7) persons engaged in public work for the state but employed by contractors when the performance of the contract is authorized by the legislature or other competent authority;

(8) officers and employees of the senate and house of representatives or a legislative committee or commission who are temporarily employed;

(9) receivers, jurors, notaries public, and court employees who are not in the judicial branch as defined in section 43A.02, subdivision 25, except referees and adjusters employed by the department of labor and industry;

(10) patient and inmate help in state charitable, penal, and correctional institutions including the Minnesota veterans home;

(11) persons employed for professional services where the service is incidental to regular professional duties and whose compensation is paid on a per diem basis;

(12) employees of the Sibley House Association;

(13) the members of any state board or commission who serve the state intermittently and are paid on a per diem basis; the secretary, secretary-treasurer, and treasurer of those boards if their compensation is \$500 or less per year, or, if they are legally prohibited from serving more than two consecutive terms and their total service is required by law to be less than ten years; and the board of managers of the state agricultural society and its treasurer unless the treasurer is also its full-time secretary;

(14) state troopers;

(15) temporary employees of the Minnesota state fair employed on or after July 1 for a period not to extend beyond October 15 of that year; and persons employed at any time by the state fair administration for special events held on the fairgrounds;

(16) emergency employees in the classified service; except that if an emergency employee, within the same pay period, becomes a provisional or probationary employee on other than a temporary basis, the employee shall be considered a "state employee" retroactively to the beginning of the pay period;

(17) persons described in section 352B.01, subdivision 2, clauses (2) to (5);

(18) temporary employees in the classified service, temporary employees in the unclassified service appointed for a definite period of not more than six months and employed less than six months in any one-year period and seasonal help in the classified service employed by the department of revenue;

(19) trainee employees, except those listed in subdivision 2a, clause (10);

(20) persons whose compensation is paid on a fee basis;

(21) state employees who in any year have credit for 12 months service as teachers in the public schools of the state and as teachers are members of the teachers retirement association or a retirement system in St. Paul, Minneapolis, or Duluth;

(22) employees of the adjutant general employed on an unlimited intermit-

tent or temporary basis in the classified and unclassified service for the support of army and air national guard training facilities;

(23) chaplains and nuns who are excluded from coverage under the federal old age, survivors, disability, and health insurance program for the performance of service as specified in United States Code, title 42, section 410(a)(8)(A), as amended, if no irrevocable election of coverage has been made under section 3121(r) of the Internal Revenue Code of 1954, as amended;

(24) examination monitors employed by departments, agencies, commissions, and boards to conduct examinations required by law;

(25) members of appeal tribunals, exclusive of the chair, to which reference is made in section 268.10, subdivision 4;

(26) persons appointed to serve as members of fact-finding commissions or adjustment panels, arbitrators, or labor referees under chapter 179;

(27) temporary employees employed for limited periods under any state or federal program for training or rehabilitation including persons employed for limited periods from areas of economic distress except skilled and supervisory personnel and persons having civil service status covered by the system;

(28) full-time students employed by the Minnesota historical society intermittently during part of the year and full-time during the summer months;

(29) temporary employees, appointed for not more than six months, of the metropolitan council and of any of its statutory boards, if the board members are appointed by the metropolitan council;

(30) persons employed in positions designated by the department of employee relations as student workers;

(31) any person who is 65 years of age or older when appointed and who does not have allowable service credit for previous employment, unless the employee gives notice to the director within 60 days after appointment that coverage is desired;

(32) members of trades employed by the metropolitan waste control commission with trade union pension plan coverage under a collective bargaining agreement first employed after June 1, 1977;

(33) persons employed in subsidized on-the-job training, work experience, or public service employment as enrollees under the federal Comprehensive Employment and Training Act after March 30, 1978, unless the person has as of the later of March 30, 1978, or the date of employment sufficient service credit in the retirement system to meet the minimum vesting requirements for a deferred annuity, or the employer agrees in writing on forms prescribed by the director to make the required employer contributions, including any employer additional contributions, on account of that person from revenue sources other than funds provided under the federal Comprehensive Employment and Training Act, or the person agrees in writing on forms prescribed by the director to make the required employer contribution in addition to the required employee contribution;

(34) off-duty peace officers while employed by the metropolitan transit commission under section 629.40, subdivision 5, or comparable statutory authority;

(35) persons who are employed as full-time police officers by the metropolitan transit commission and as police officers are members of the public employees police and fire fund; and

(35) (36) persons who are employed as full-time firefighters by the department of military affairs and as firefighters are members of the public employees police and fire fund.

Sec. 2. Minnesota Statutes 1992, section 353.64, is amended by adding a subdivision to read:

*Subd. 7a. [PENSION COVERAGE FOR CERTAIN METROPOLITAN TRANSIT COMMISSION POLICE OFFICERS.] A person who is employed as a full-time police officer on or after the first day of the first payroll period after the effective date of this section by the metropolitan transit commission and who is not eligible for coverage under the agreement with the Secretary of the federal Department of Health and Human Services making the provisions of the federal Old Age, Survivors, and Disability Insurance Act because the person's position is excluded from application under United States code, sections 418(d)(5)(A) and 418(d)(8)(D), and under section 355.07, is a member of the public employees police and fire fund and is considered to be a police officer within the meaning of this section. The metropolitan transit commission shall deduct the employee contribution from the salary of each full-time police officer as required by section 353.65, subdivision 2, shall make the employer contribution for each full-time police officer as required by section 353.65, subdivision 3, and shall meet the employer recording and reporting requirements in section 353.65, subdivision 4."*

Page 3, after line 5, insert:

**"Sec. 6. [353A.083] [PUBLIC EMPLOYEES RETIREMENT ASSOCIATION POLICE AND FIRE FUND BENEFIT PLAN APPLICABLE TO PRE-1993 CONSOLIDATIONS.]**

*For a consolidation account in effect on the date of final enactment, the public employees police and fire fund benefit plan applicable to consolidation account members who have elected or will elect that benefit plan coverage under section 353A.08 is the pre-1993 public employees police and fire fund benefit plan unless the appropriate municipality approves the extension of the post-1992 public employees police and fire fund benefit plan to the consolidation account."*

Page 4, line 21, delete "1 to 3" and insert "3 to 6" and delete everything after "are"

Page 4, line 22, delete everything before "effective"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "state employees retirement system and"

Page 1, line 3, after the semicolon, insert "amending the definition of state employee; providing pension coverage for certain metropolitan transit commission police officers;"

Page 1, line 8, after "sections" insert "352.01, subdivision 2b; 353.64, by adding a subdivision;"

Page 1, line 9, before the period, insert "proposing coding for new law in Minnesota Statutes, chapter 353A"

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

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

S.F. No. 1501: A bill for an act relating to agriculture; modifying certain provisions relating to wheat and barley promotion orders; amending Minnesota Statutes 1992, sections 17.53, subdivisions 2, 8, and 13; 17.59, subdivision 2; and 17.63.

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

Pages 2 and 3, delete section 5

Amend the title as follows:

Page 1, line 5, after "13;" insert "and" and delete "and" and insert a period

Page 1, delete line 6

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

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

S.F. No. 1314: A bill for an act relating to employees; providing for a wage protection program; providing penalties; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 181.

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

Page 1, line 23, after the period, insert "Money in" and delete "annually"

Page 2, line 5, after the period, insert "*The department's obligation to make payments from the account is limited to the amount appropriated. After the appropriation is exhausted, no further obligation may be incurred.*"

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

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

S.F. No. 545: A bill for an act relating to retirement; expanding coordinated plan survivor coverage benefits for certain public employees and teachers; amending Minnesota Statutes 1992, sections 352.01, by adding a subdivision; 352.12, subdivision 2, and by adding subdivisions; 353.01, subdivision 15, and by adding a subdivision; 353.32, subdivision 1a, and by adding subdivisions; 354.05, subdivision 8, and by adding a subdivision; 354.46, subdivisions 2, 5, and by adding subdivisions; 354A.011, by adding a subdivision; and 354A.35, subdivision 2, and by adding subdivisions.

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

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

S.F. No. 154: A bill for an act relating to taxation; motor fuel taxes; providing for refunds of fuel taxes paid on fuel used to operate passenger snowmobiles as part of the operations of a resort; amending Minnesota Statutes 1992, sections 296.01, by adding a subdivision; and 296.18, subdivision 1.

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

Page 1, after line 8, insert:

“Section 1. Minnesota Statutes 1992, section 84.83, subdivision 3, is amended to read:

Subd. 3. [PURPOSES FOR THE ACCOUNT.] The money deposited in the account and interest earned on that money may be expended only as appropriated by law for the following purposes:

(1) For a grant-in-aid program to counties and municipalities for construction and maintenance of snowmobile trails;

(2) For acquisition, development, and maintenance of state recreational snowmobile trails;

(3) For snowmobile safety programs; and

(4) For the administration and enforcement of sections 84.81 to 84.90; and

(5) *For payment of the refund for fuel taxes paid on fuel used to operate passenger snowmobiles as part of the operation of a resort under section 296.18, subdivision 1.”*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after “sections” insert “84.83, subdivision 3;”

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

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

S.F. No. 860: A bill for an act relating to retirement; providing coverage for unclassified managerial employees in temporary, acting, or interim positions; providing default plan for employee selection; adding conforming language to clarify eligibility between plans; relating to the individual retirement account plan; providing for refunding of amounts forfeited; providing for repayment of missed contributions; providing for administrative expenses; providing for contributions during period of sabbatical leave; relating to the supplemental retirement plan; providing conforming language for previous oversight of eligible members; relating to marriage dissolutions; providing alternate method of retirement asset distribution for individual retirement account plan; transferring responsibility for the investment of individual retirement account plan assets to the state board of investment; amending Minnesota Statutes

1992, sections 352D.02, subdivisions 1 and 1a; 354B.01, by adding a subdivision; 354B.02, subdivisions 1, 3a, and by adding a subdivision; 354B.04, by adding a subdivision; 354B.05; 356.24, subdivision 1; and 518.58, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 354B; repealing Minnesota Statutes 1992, section 354B.02, subdivision 3.

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

Page 9, delete section 4

Page 9, line 24, delete "5" and insert "4"

Renumber the sections of article 2 in sequence

Pages 12 to 14, delete article 5

Amend the title as follows:

Page 1, lines 7 and 8, delete "providing for refunding of amounts forfeited;"

Page 1, line 14, delete from "providing" through page 1, line 18, to "investment;"

Page 1, line 23, after "354B.05" insert ", by adding a subdivision

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

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

S.F. No. 1524: A bill for an act relating to traffic regulations; increasing fine for speeding violation; appropriating money for highway work zone safety enforcement and public education efforts; appropriating money; amending Minnesota Statutes 1992, section 169.14, subdivision 5d.

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

Page 2, line 9, delete ", or who"

Page 2, line 10, delete everything before "while"

Page 2, line 11, delete the comma

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

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

S.F. No. 861: A bill for an act relating to the agricultural finance authority; authorizing direct loans and participations; increasing the dollar limit; amending Minnesota Statutes 1992, sections 41B.02, by adding a subdivision; and 41B.043.

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

Page 2, line 25, strike "a special" and insert "an" and after "account" insert "*in the special revenue fund*" and strike everything after the period

Page 2, strike lines 26 and 27

Page 3, after line 3, insert:

"Sec. 3. [APPROPRIATION.]

*\$30,000 in fiscal year 1994 and \$30,000 in fiscal year 1995 is appropriated from the special revenue fund to the commissioner of agriculture for administrative expenses for the agricultural improvement loan program."*

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "appropriating money;"

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

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

S.F. No. 908: A bill for an act relating to agriculture; changing eligibility and participation requirements for certain rural finance authority programs; authorizing an application fee; appropriating money; amending Minnesota Statutes 1992, sections 41B.03, subdivision 1, and by adding a subdivision; 41B.039, subdivision 2; and 41B.042, subdivision 4.

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

Page 1, line 23, delete "*its*" and insert "*the borrower's*"

Page 2, line 4, delete "*a*" and insert "*an*"

Page 2, line 5, delete "*special*" and before the period, insert "*in the special revenue fund*" and delete everything after the period

Page 2, delete lines 6 and 7

Page 2, after line 25, insert:

"Sec. 5. [APPROPRIATION.]

*\$6,000 for fiscal year 1994 and \$6,000 for fiscal year 1995 is appropriated from the special revenue fund to the commissioner of agriculture for administrative expenses for the programs in Minnesota Statutes, sections 41B.01 to 41B.23."*

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

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

S.F. No. 867: A bill for an act relating to motor vehicles; establishing automobile theft prevention program and creating board; increasing penalty for falsely reporting crime; amending Minnesota Statutes 1992, section 609.505; proposing coding for new law in Minnesota Statutes, chapter 168A.

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

Page 1, line 19, after the period, insert "*The commissioner of public safety shall provide office space and administrative support to the board.*"

Page 3, line 25, after the second "*account*" insert "*in the state government special revenue fund*"

Page 3, line 27, delete from "*and*" through page 3, line 28, to "*account*"

Page 3, line 29, after the period, insert "*The board may not spend in any fiscal year more than ten percent of the money in the fund for its administrative and operating costs.*"

Page 4, after line 10, insert:

"Sec. 5. [APPROPRIATION.]

*\$2,790,000 is appropriated from the state government special revenue fund to the automobile theft prevention board for automobile theft prevention activities. \$930,000 is for fiscal year 1994 and \$1,860,000 is for fiscal year 1995."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "*appropriating money;*"

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

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

H.F. No. 1436: A bill for an act relating to the environment; appropriating money from the metropolitan landfill contingency trust fund to the commissioner of the pollution control agency for reimbursement to the city of Hopkins for remediation of methane at the city landfill; amending Laws 1991, chapter 182, section 7.

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

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

H.F. No. 1225: A bill for an act relating to agriculture; authorizing use of money in the agricultural chemical response and reimbursement account for administrative costs; exempting certain pesticides from the ACRRA surcharge; requiring a report; appropriating money; repealing the hazardous substance labeling act; amending Minnesota Statutes 1992, sections 18B.01, by adding subdivisions; 18B.135; 18B.14, subdivision 2; 18B.26, subdivision 3; 18B.31, subdivision 1; 18B.36, subdivision 2; 18B.37, subdivision 2; 18C.005, subdivisions 13 and 35; 18C.115, subdivision 2; 18C.211, subdivision 1; 18C.215, subdivision 2; 18C.305, subdivision 2; 18E.03, subdivisions 2 and 5; 21.85, subdivision 10; 325F.19, subdivision 7; repealing Minnesota Statutes 1992, sections 18B.07, subdivision 3; 18C.211, subdivision 3; 18C.215, subdivision 3; 24.32; 24.33; 24.34; 24.35; 24.36; 24.37; 24.38; 24.39; 24.40; 24.41; 24.42; 25.46; and 25.47.

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 1992, section 18B.01, is amended by adding a subdivision to read:

*Subd. 9a. [FIXED LOCATION.] "Fixed location" means all stationary restricted and bulk pesticide facility operations owned or operated by a person located in the same plant location or locality.*

Sec. 2. Minnesota Statutes 1992, section 18B.01, is amended by adding a subdivision to read:

*Subd. 30a. [SUBSTANTIALLY ALTERING; SUBSTANTIALLY ALTER; SUBSTANTIAL ALTERATION.] "Substantially altering," "substantially alter," or "substantial alteration" means modifying a bulk agricultural chemical storage facility by:*

- (1) changing the capacity of a safeguard;*
- (2) adding storage containers in excess of the capacity of a safeguard as required by rule; or*
- (3) increasing the size of the single largest storage container in a safeguard as approved or permitted by the department of agriculture. This does not include routine maintenance of safeguards, storage containers, appurtenances, piping, mixing, blending, weighing, or handling equipment.*

Sec. 3. Minnesota Statutes 1992, section 18B.065, is amended by adding a subdivision to read:

*Subd. 2a. [DISPOSAL SITE REQUIREMENT.] The commissioner must designate a place that is available at least every other year for the residents of each county in the state to dispose of unused portions of pesticides.*

Sec. 4. Minnesota Statutes 1992, section 18B.135, subdivision 1, is amended to read:

Subdivision 1. [ACCEPTANCE OF ~~RETURNABLE~~ PESTICIDE CONTAINERS.] (a) A person distributing, offering for sale, or selling a pesticide must accept empty pesticide containers ~~and the unused portion of pesticide that remains in the original container~~ from a pesticide end user if:

- ~~(1) the pesticide was purchased after July 1, 1994; and~~
  - ~~(2) the empty container is prepared for disposal in accordance with label instructions and is returned to a place within the state at which pesticides are distributed, offered for sale, or sold; and~~
  - ~~(3) a place is collection site that is seasonably accessible on multiple days has not been designated in either by the county board or by agreement with other counties for the public to return empty pesticide containers and the unused portion of pesticide for the purpose of reuse or recycling or following other approved management practices for pesticide containers in the order of preference established in section 115A.02, paragraph (b), and the county or counties have notified the commissioner of their intentions annually by February 1, in writing, to manage the empty pesticide containers.~~
- (b) This subdivision does not prohibit the use of refillable and reusable pesticide containers.

(c) ~~The legislative water commission must prepare a report and make a recommendation to the legislature on the handling of waste pesticide containers and waste pesticides. If a county or counties designate a collection site as provided in paragraph (a), clause (3), a person who has been notified by the county or counties of the designated collection site and who sells pesticides to a pesticide end user must notify purchasers of pesticides at the time of sale of the date and location designated for disposal of empty containers.~~

(d) *For purposes of this section, pesticide containers do not include containers that have held sanitizers and disinfectants, pesticides labeled primarily for use on humans or pets, or pesticides not requiring dilution or mixing.*

Sec. 5. Minnesota Statutes 1992, section 18B.14, subdivision 2, is amended to read:

Subd. 2. [BULK PESTICIDE STORAGE.] (a) A person storing pesticides in containers of a rated capacity of 500 gallons or more for more than ten consecutive days at a bulk pesticide storage facility must obtain a pesticide storage permit from the commissioner as required by rule.

(b) Applications must be on forms provided by the commissioner containing information established by rule. The initial application for a permit must be accompanied by a nonrefundable application fee of \$100 for each location where the pesticides are stored. An application for a facility that includes both fertilizers as regulated under chapter 18C and bulk pesticides as regulated under this chapter shall pay only one application fee of \$100.

(c) The commissioner shall by rule develop and implement a program to regulate bulk pesticides. The rules must include installation of secondary containment devices, storage site security, safeguards, notification of storage site locations, criteria for permit approval, a schedule for compliance, and other appropriate requirements necessary to minimize potential adverse effects on the environment. The rules must conform with existing rules of the pollution control agency.

(d) A person must obtain a permit from the commissioner on forms provided by the commissioner before the person constructs or substantially alters a bulk pesticide storage facility. If an application is incomplete, the commissioner must notify the applicant as soon as possible. The permit must be acted upon within 30 days after receiving a completed application.

(e) An application to substantially alter a facility must be accompanied by a \$50 fee. An application for a facility that includes both fertilizers regulated under chapter 18C and bulk pesticides regulated under this chapter shall pay only one application fee of \$50.

(f) An additional application fee of \$250 must be paid by an applicant a person who begins construction of, or substantially alters, a bulk pesticide agricultural chemical storage facility before a permit is issued by the commissioner. ~~The fee under this paragraph may not be charged if the permit is not acted upon within 30 days after receiving a completed application, except that the \$250 additional fee may not be assessed if the person submits a permit application with the required fee to the commissioner before completing the construction or substantial alteration.~~

Sec. 6. Minnesota Statutes 1992, section 18B.26, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENT.] (a) A person may not use or distribute a pesticide in this state unless it is registered with the commissioner. Aquaculture therapeutics shall be registered and labeled in the same manner as pesticides. Pesticide registrations expire on December 31 of each year and may be renewed on or before that date for the following calendar year.

(b) Registration is not required if a pesticide is shipped from one plant or warehouse to another plant or warehouse operated by the same person and used solely at the plant or warehouse as an ingredient in the formulation of a pesticide that is registered under this chapter.

(c) An unregistered pesticide that was previously registered with the commissioner may be used ~~only for a period of two years following the cancellation of the registration of the pesticide, unless the commissioner determines that the continued use of the pesticide would cause unreasonable adverse effects on the environment, or with the written permission of the commissioner: To use the unregistered pesticide at any time after the two-year period, the pesticide end user must demonstrate to the satisfaction of the commissioner, if requested, that the pesticide has been continuously registered under a different brand name or by a different manufacturer and has similar composition, or, the pesticide end user obtains the written permission of the commissioner.~~

(d) Each pesticide with a unique United States Environmental Protection Agency pesticide registration number or a unique brand name must be registered with the commissioner.

Sec. 7. Minnesota Statutes 1992, section 18B.26, subdivision 3, is amended to read:

Subd. 3. [APPLICATION FEE.] (a) A registrant shall pay an annual application fee for each pesticide to be registered, and this fee is set at one-tenth of one percent for calendar year 1990, at one-fifth of one percent for calendar year 1991, and at two-fifths of one percent for calendar year 1992 and thereafter of annual gross sales within the state and annual gross sales of pesticides used in the state, with a minimum nonrefundable fee of \$250 ~~plus an additional one-tenth of one percent for each pesticide for which the United States Environmental Protection Agency, Office of Water, has published a Health Advisory Summary by December 1 of the previous year.~~ The registrant shall determine when and which pesticides are sold or used in this state. The registrant shall secure sufficient sales information of pesticides distributed into this state from distributors and dealers, regardless of distributor location, to make a determination. Sales of pesticides in this state and sales of pesticides for use in this state by out-of-state distributors are not exempt and must be included in the registrant's annual report, as required under paragraph (c), and fees shall be paid by the registrant based upon those reported sales. Sales of pesticides in the state for use outside of the state are exempt from the application fee in this paragraph if the registrant properly documents the sale location and distributors. A registrant paying more than the minimum fee shall pay the balance due by March 1 based on the gross sales of the pesticide by the registrant for the preceding calendar year. The fee for disinfectants and sanitizers shall be the minimum. The minimum fee is due by December 31 preceding the year for which the application for registration is made. Of the amount collected after calendar year 1990, at least \$600,000 per fiscal year

must be credited to the waste pesticide account under section 18B.065, subdivision 5; and the additional amount collected for pesticides with Health Advisory Summaries shall be credited to the agricultural project utilization account under section 116O.13 to be used for pesticide use reduction grants by the agricultural utilization research institute.

(b) An additional fee of \$100 must be paid by the applicant for each pesticide to be registered if the application is a renewal application that is submitted after December 31.

(c) A registrant must annually report to the commissioner the amount and type of each registered pesticide sold, offered for sale, or otherwise distributed in the state. The report shall be filed by March 1 for the previous year's registration. The commissioner shall specify the form of the report and require additional information deemed necessary to determine the amount and type of pesticides annually distributed in the state. The information required shall include the brand name, amount, and formulation of each pesticide sold, offered for sale, or otherwise distributed in the state, but the information collected, if made public, shall be reported in a manner which does not identify a specific brand name in the report.

Sec. 8. Minnesota Statutes 1992, section 18B.31, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENT.] (a) Except as provided in paragraph (b), ~~a person no individual may not distribute at wholesale or retail or possess offer for sale or sell a restricted use pesticides or bulk pesticides with an intent to distribute them to an ultimate pesticide to a pesticide end user from any fixed location without a pesticide dealer license.~~

(b) ~~The A pesticide dealer license requirement does not apply to is not required for:~~

(1) a licensed commercial applicator, noncommercial applicator, or structural pest control applicator who uses restricted use pesticides only as an integral part of a pesticide application service;

(2) a federal, state, county, or municipal agency using restricted use pesticides for its own programs; ~~or~~

(3) a licensed pharmacist, physician, dentist, or veterinarian when administering or dispensing a restricted use pesticide for use in the pharmacist's, physician's, dentist's, or veterinarian's practice; ~~or~~

(4) ~~a person at a fixed location that is not used to offer for sale or sell restricted use or bulk pesticides including, but not limited to, warehouses or other storage sites.~~

(c) A licensed pesticide dealer may sell restricted use pesticides only to an applicator licensed or certified by the commissioner, unless a sale is allowed by rule.

(d) ~~A pesticide dealer license is required for an individual not located in Minnesota who offers for sale or sells a restricted use or bulk pesticide to a pesticide end user located in Minnesota.~~

(e) ~~Only one pesticide dealer license is required per fixed location from which an individual offers for sale or sells a restricted use or bulk pesticide to an end user.~~

Sec. 9. Minnesota Statutes 1992, section 18B.36, subdivision 2, is amended to read:

Subd. 2. [CERTIFICATION.] (a) The commissioner shall prescribe certification requirements and provide training that meets or exceeds United States Environmental Protection Agency standards to certify private applicators and provide information relating to changing technology to help ensure a continuing level of competency and ability to use pesticides properly and safely. The training may be done through cooperation with other government agencies and must be a minimum of three hours in duration.

(b) A person must apply to the commissioner for certification as a private applicator. After completing the certification requirements, which must include an examination as determined by the commissioner, an applicant must be certified as a private applicator to use restricted use pesticides. The certification is for a period of three *calendar* years ~~from the applicant's nearest birthday~~ including the first year of certification, and expires December 31 of the third year.

(c) The commissioner shall issue a private applicator card to a private applicator.

Sec. 10. Minnesota Statutes 1992, section 18B.37, subdivision 2, is amended to read:

Subd. 2. [COMMERCIAL AND NONCOMMERCIAL APPLICATORS.] (a) A commercial or noncommercial applicator, or the applicator's authorized agent, must maintain a record of pesticides used on each site. *Noncommercial applicators must keep records of restricted use pesticides.* The record must include the:

- (1) date of the pesticide use;
- (2) time the pesticide application was completed;
- (3) brand name of the pesticide, the United States Environmental Protection Agency registration number, and dosage used;
- (4) number of units treated;
- (5) temperature, wind speed, and wind direction;
- (6) location of the site where the pesticide was applied;
- (7) name and address of the customer;
- (8) name and signature of applicator, name of company, license number of applicator, and address of applicator company; and
- (9) any other information required by the commissioner.

(b) Portions of records not relevant to a specific type of application may be omitted upon approval from the commissioner.

(c) All information for this record requirement must be contained in a single page document for each pesticide application, except a map may be attached to identify treated areas. For the rights-of-way and wood preservative categories, the required record may not exceed five pages. An invoice containing the required information may constitute the required record. The commissioner shall make sample forms available to meet the requirements of this paragraph.

(d) A commercial applicator must give a copy of the record to the customer when the application is completed.

(c) Records must be retained by the applicator, company, or authorized agent for five years after the date of treatment.

Sec. 11. Minnesota Statutes 1992, section 18C.005, subdivision 13, is amended to read:

Subd. 13. [GRADE.] "Grade" means the percentage of total nitrogen (N), available phosphorus (P) or phosphoric acid ( $P_2O_5$ ) phosphate ( $P_2O_5$ ), and soluble potassium (K) or soluble potash ( $K_2O$ ) ( $K_2O$ ) stated in whole numbers in the same terms, order, and percentages as in the guaranteed analysis except the grade of bone meals, manures, and similar raw materials may be stated in fractional units, and specialty fertilizers may be stated in fractional units of less than one percent of total nitrogen, available phosphorus or phosphoric acid phosphate, and soluble potassium or soluble potash.

Sec. 12. Minnesota Statutes 1992, section 18C.005, subdivision 35, is amended to read:

Subd. 35. [SUBSTANTIALLY ALTERING; SUBSTANTIALLY ALTER; SUBSTANTIAL ALTERATION.] "Substantially altering," "substantially alter," or "substantial alteration" means modifying a bulk agricultural chemical storage facility by:

- (1) changing the capacity of a safeguard;
- (2) adding additional safeguards or storage containers, or changing existing storage containers, safeguards, appurtenances, or piping, in excess of the capacity of a safeguard as required by rule;
- (3) increasing the size of the largest storage container in a safeguard as approved or permitted by the commissioner of agriculture; or
- (4) adding or changing anhydrous ammonia storage containers or adding ammonia loading or unloading stations. This does not include routine maintenance of existing safeguards, storage containers, appurtenances, and piping, or of existing mixing, blending, weighing, and or handling equipment. For dry bulk fertilizer, a person may decrease storage capacity without a substantial alteration permit and may increase storage capacity up to 150 tons per location annually without a substantial alteration permit.

Sec. 13. Minnesota Statutes 1992, section 18C.115, subdivision 2, is amended to read:

Subd. 2. [ADOPTION OF NATIONAL STANDARDS.] Applicable national standards contained in the 1989 1993 official publication, number 42 46, of the association of American plant food control officials including the rules and regulations, statements of uniform interpretation and policy, and the official fertilizer terms and definitions, and not otherwise adopted by the commissioner, may be adopted as fertilizer rules of this state.

Sec. 14. Minnesota Statutes 1992, section 18C.211, subdivision 1, is amended to read:

Subdivision 1. [N, P, AND K NUTRIENT CONTENT STATED.] (a) Until the commissioner prescribes the alternative form of guaranteed analysis, it must be stated as provided in this subdivision.

(b) A guaranteed analysis must state the percentage of plant nutrient content, if claimed, in the following form:

"Total Nitrogen (N)	... percent
Available Phosphoric Acid ( $P_2O_5$ )	
Phosphate ( $P_2O_5$ )	... percent
Soluble Potash ( $K_2O$ ) ( $K_2O$ )	... percent"

(c) For unacidulated mineral phosphatic materials and basic slag, bone, tankage, and other organic phosphate materials, the total phosphoric acid phosphate or degree of fineness may also be stated.

Sec. 15. Minnesota Statutes 1992, section 18C.215, subdivision 2, is amended to read:

Subd. 2. [BLENDED AND MIXED FERTILIZER.] (a) A distributor who blends or mixes fertilizer to a customer's order without a guaranteed analysis of the final mixture must furnish each purchaser with an invoice or delivery ticket in written or printed form showing the net weight and guaranteed analysis of each of the materials used in the mixture.

(b) ~~The invoice or delivery ticket must accompany the delivery.~~

(e) Records of invoices or delivery tickets must be kept for five years after the delivery or application.

Sec. 16. Minnesota Statutes 1992, section 18C.305, subdivision 2, is amended to read:

Subd. 2. [PERMIT FEES.] (a) An application for a new facility must be accompanied by a nonrefundable application fee of \$100 for each location where fertilizer is stored.

(b) An application to substantially alter a facility must be accompanied by a nonrefundable \$50 fee.

(c) ~~In addition to the fees under paragraphs (a) and (b), a~~ *An additional fee of \$250 must be paid by an applicant a person who begins construction of, or substantial alteration substantially alters a bulk agricultural chemical storage facility before a permit is issued by the commissioner, except that the \$250 additional fee may not be assessed if the person submits a permit application with the required fee to the commissioner before completing the construction or substantial alteration.*

(d) An application for a facility that includes both fertilizers, as regulated under this chapter, and pesticides as regulated under chapter 18B shall pay only one application fee of \$100.

Sec. 17. Minnesota Statutes 1992, section 18D.103, is amended by adding a subdivision to read:

Subd. 3. [EXCEPTION.] *A responsible party or an owner of real property who is a licensed or certified private or commercial pesticide applicator is not required to report an incident to the commissioner under this section if the amount of pesticide involved in the release is less than the maximum amount of the pesticide that, consistent with its label, can be applied to one acre of agricultural crop land unless the release occurred into or near public water or groundwater.*

Sec. 18. Minnesota Statutes 1992, section 18D.105, is amended by adding a subdivision to read:

*Subd. 3a. [PASSIVE BIOREMEDIATION.] Passive bioremediation must be considered for pesticide cleanups whenever an assessment of the site determines that there is a low potential risk to public health and the environment. The assessment may include the soil types involved, leaching potential, underlying geology, proximity to ground and surface water, and the soil half-life of the pesticides.*

Sec. 19. Minnesota Statutes 1992, section 18E.03, subdivision 2, is amended to read:

Subd. 2. [EXPENDITURES.] (a) Money in the agricultural chemical response and reimbursement account may only be used:

(1) to pay for the commissioner's responses to incidents under chapters 18B, 18C, and 18D that are not eligible for payment under section 115B.20, subdivision 2;

(2) to pay for emergency responses that are otherwise unable to be funded;  
and

(3) to reimburse and pay corrective action costs under section 18E.04; and

(4) by the board to reimburse the commissioner for board staff and other administrative costs up to \$150,000 per fiscal year.

(b) Money in the agricultural chemical response and reimbursement account is appropriated to the commissioner to make payments as provided in this subdivision.

Sec. 20. Minnesota Statutes 1992, section 18E.03, subdivision 4, is amended to read:

Subd. 4. [FEE THROUGH 1990.] (a) The response and reimbursement fee consists of the ~~surcharge fees~~ *surcharges and any adjustments made by the commissioner in this subdivision and shall be collected until March 1, 1994 by the commissioner. The amount of the response and reimbursement fee shall be determined and imposed annually by the commissioner as required to satisfy the requirements in subdivision 3. The commissioner shall adjust the amount of the surcharges imposed in proportion to the amount of the surcharges listed in this subdivision.*

(b) The commissioner shall impose a surcharge on pesticides registered under chapter 18B to be collected as a surcharge on the registration application fee under section 18B.26, subdivision 3, that is equal to 0.1 percent of sales of the pesticide in the state and sales of pesticides for use in the state during the ~~period April 1, 1990, through December 31, 1990~~ *previous calendar year, except the surcharge may not be imposed on pesticides that are sanitizers or disinfectants as determined by the commissioner, pesticides labeled solely for use directly on humans or pets, or pesticides not requiring dilution or mixing and labeled for use in areas associated with household or home life as determined by the commissioner, but excluding turf or garden use. The registrant shall determine when and which pesticides are sold or used in this state. The registrant shall secure sufficient sales information of pesticides distributed into this state from distributors and dealers, regardless of distributor location, to make a determination. Sales of pesticides in this state and sales of pesticides for use in this*

state by out-of-state distributors are not exempt and must be included in the registrant's annual report, as required under section 18B.26, subdivision 3, paragraph (c), and fees shall be paid by the registrant based upon those reported sales. Sales of pesticides in the state for use outside of the state are exempt from the surcharge in this paragraph if the registrant properly documents the sale location and the distributors.

(c) The commissioner shall impose a ten cents per ton surcharge on the inspection fee under section 18C.425, subdivision 6, for fertilizers, soil amendments, and plant amendments.

(d) The commissioner shall impose a surcharge on the license application of persons licensed under chapters 18B and 18C consisting of:

(1) a ~~\$150~~ \$75 surcharge for each site where pesticides are stored or distributed, to be imposed as a surcharge on pesticide dealer application fees under section 18B.31, subdivision 5;

(2) a ~~\$150~~ \$75 surcharge for each site where a fertilizer, plant amendment, or soil amendment is distributed, to be imposed on persons licensed under sections 18C.415 and 18C.425;

(3) a \$50 surcharge to be imposed on a structural pest control applicator license application under section 18B.32, subdivision 6, for business license applications only;

(4) a \$20 surcharge to be imposed on commercial applicator license application fees under section 18B.33, subdivision 7; and

(5) a \$20 surcharge to be imposed on noncommercial applicator license application fees under section 18B.34, subdivision 5, except a surcharge may not be imposed on a noncommercial applicator that is a state agency, political subdivision of the state, the federal government, or an agency of the federal government; and

~~(6) a \$25 surcharge for licensed lawn service applicators under chapter 18B or 18C, to be imposed on license application fees.~~

~~(e) If a person has more than one license for a site, only one surcharge may be imposed to cover all the licenses for the site.~~

~~(f) (e) A \$1,000 fee shall be imposed on each site where pesticides are stored and sold for use outside of the state unless:~~

~~(1) the distributor properly documents that it has less than \$2,000,000 per year in wholesale value of pesticides stored and transferred through the site; or~~

~~(2) the registrant pays the surcharge under paragraph (b) and the registration fee under section 18B.26, subdivision 3, for all of the pesticides stored at the site and sold for use outside of the state.~~

~~(g) (f) Paragraphs (c) to (f) (e) apply to sales, licenses issued, applications received for licenses, and inspection fees imposed on or after July 1, 1990.~~

Sec. 21. Minnesota Statutes 1992, section 18E.03, subdivision 6, is amended to read:

Subd. 6. [REVENUE SOURCES.] Revenue from the following sources

must be deposited in the state treasury and credited to the agricultural chemical response and reimbursement account:

- (1) the proceeds of the fees imposed by subdivisions 3 and 5 4;
- (2) money recovered by the state for expenses paid with money from the account;
- (3) interest attributable to investment of money in the account; and
- (4) money received by the commissioner in the form of gifts, grants other than federal grants, reimbursements, and appropriations from any source intended to be used for the purposes of the account.

Sec. 22. Minnesota Statutes 1992, section 18E.03, subdivision 7, is amended to read:

Subd. 7. [APPROPRIATION AND REIMBURSEMENT.] The amount of the response and reimbursement fee imposed under subdivisions 3 to 5 and 4 is appropriated from the general fund to the agricultural chemical response and reimbursement account to be reimbursed when the fee is collected.

Sec. 23. Minnesota Statutes 1992, section 18E.04, is amended by adding a subdivision to read:

Subd. 2a. [INELIGIBILITY FOR REIMBURSEMENT OR PAYMENT.] *Pesticides that are sanitizers and disinfectants, pesticides labeled solely for use directly on humans or pets, or pesticides not requiring dilution or mixing and labeled for use in areas associated with household or home life that are exempted from surcharges are ineligible for reimbursement or payment under this section.*

Sec. 24. Minnesota Statutes 1992, section 325F.19, subdivision 7, is amended to read:

Subd. 7. "Presenting a clear and present danger" means known to cause physical damage to structure or health hazards to occupants through continuing direct contact or release of a hazardous ~~substances~~ substance as defined in section 24.33 115B.02.

Sec. 25. [REPORT ON PESTICIDE CONTAINERS AND WASTE PESTICIDES.]

*The commissioner shall prepare a report with recommendations to the legislature by January 1, 1995, and a second report by January 1, 1997, on the handling of empty pesticide containers and unused portions of pesticides using the following criteria:*

- (1) the minimization of the disposal of pesticide containers and waste pesticides;
- (2) the collection and recycling of pesticide containers;
- (3) the collection and disposal of waste pesticides; and
- (4) recommendations for the internalization of the management costs for waste pesticides and pesticide containers amongst pesticide manufacturers, distributors, and retailers.

Sec. 26. [APPROPRIATION.]

\$200,000 in fiscal year 1994 and \$200,000 in fiscal year 1995 is appropriated from the pesticide regulatory account to the agricultural utilization research institute for pesticide best management practice evaluation grants and agricultural chemical spill site remediation research grants in consultation with the department of agriculture.

**Sec. 27. [REPEALER.]**

*Minnesota Statutes 1992, sections 18C.211, subdivision 3; 18C.215, subdivision 3; 18E.03, subdivision 5; 24.32; 24.33; 24.34; 24.35; 24.36; 24.37; 24.38; 24.39; 24.40; 24.41; and 24.42, are repealed."*

Delete the title and insert:

"A bill for an act relating to agriculture; providing for the continued use of unregistered pesticides; modifying procedures for the return of empty pesticide containers and unused portions of pesticides; changing the amounts of the ACCRA surcharges; authorizing use of money in the agricultural chemical response and reimbursement account for administrative costs; making changes in the laws on pesticides and agricultural chemicals; repealing the hazardous substance labeling act; appropriating money; amending Minnesota Statutes 1992, sections 18B.01, by adding subdivisions; 18B.065, by adding a subdivision; 18B.135, subdivision 1; 18B.14, subdivision 2; 18B.26, subdivisions 1 and 3; 18B.31, subdivision 1; 18B.36, subdivision 2; 18B.37, subdivision 2; 18C.005, subdivisions 13 and 35; 18C.115, subdivision 2; 18C.211, subdivision 1; 18C.215, subdivision 2; 18C.305, subdivision 2; 18D.103, by adding a subdivision; 18D.105, by adding a subdivision; 18E.03, subdivisions 2, 4, 6, and 7; 18E.04, by adding a subdivision; and 325F.19, subdivision 7; repealing Minnesota Statutes 1992, sections 18C.211, subdivision 3; 18C.215, subdivision 3; 18E.03, subdivision 5; 24.32; 24.33; 24.34; 24.35; 24.36; 24.37; 24.38; 24.39; 24.40; 24.41; and 24.42."

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

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

H.F. No. 1060: A bill for an act relating to agriculture; making technical changes in eligibility for certain rural finance authority loan programs; authorizing an ethanol development program; appropriating money; amending Minnesota Statutes 1992, sections 41B.02, subdivisions 7, 12, 14, 15, and by adding subdivisions; 41B.03, subdivision 3; 41B.04, subdivision 9, and by adding a subdivision; and 41C.05, subdivision 2; 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 1992, section 41B.02, is amended by adding a subdivision to read:

*Subd. 1a. [AMORTIZED RESTRUCTURED LOAN.] "Amortized restructured loan" means a loan after it has been modified pursuant to section 41B.04, subdivision 9, paragraph (d).*

Sec. 2. Minnesota Statutes 1992, section 41B.02, subdivision 7, is amended to read:

Subd. 7. [DEFERRED INTEREST.] "Deferred interest" means that portion of the interest on primary principal and secondary principal the payment of which is deferred for the term of the *deferred restructured loan*. The deferred interest on primary principal may accrue at a different rate from the deferred interest on secondary principal as described in section 41B.04.

Sec. 3. Minnesota Statutes 1992, section 41B.02, is amended by adding a subdivision to read:

Subd. 7a. [DEFERRED RESTRUCTURED LOAN.] "*Deferred restructured loan*" means a loan after it has been modified pursuant to section 41B.04, subdivision 9, paragraph (a).

Sec. 4. Minnesota Statutes 1992, section 41B.02, subdivision 12, is amended to read:

Subd. 12. [PRIMARY PRINCIPAL.] "Primary principal" means that portion of the outstanding balance on a loan covered by section 41B.04 that is equal to the current market value of the property secured by the loan or such lesser amount as may be established by the authority by rule.

Sec. 5. Minnesota Statutes 1992, section 41B.02, subdivision 14, is amended to read:

Subd. 14. [RESTRUCTURED LOAN.] "Restructured loan" means both a *deferred restructured loan* and an *amortized restructured loan* after it is modified pursuant to section 41B.04.

Sec. 6. Minnesota Statutes 1992, section 41B.02, subdivision 15, is amended to read:

Subd. 15. [SECONDARY PRINCIPAL.] "Secondary principal" means that portion of the outstanding balance of a *deferred restructured loan* covered by section 41B.04 that is in excess of the ~~current market value of the property secured by the loan~~ *primary principal*.

Sec. 7. Minnesota Statutes 1992, section 41B.03, subdivision 3, is amended to read:

Subd. 3. [ELIGIBILITY FOR BEGINNING FARMER LOANS.] In addition to the requirements under subdivision 1, a prospective borrower for a beginning farm loan in which the authority holds an interest, must:

(1) have sufficient education, training, or experience in the type of farming for which the loan is desired;

(2) have a total net worth, including assets and liabilities of the borrower's spouse and dependents, of less than \$200,000 in 1991 and an amount in subsequent years ~~determined~~ *which is adjusted for inflation by multiplying \$200,000 by the cumulative inflation rate in years subsequent to 1991 as determined by the United States All-Items Consumer Price Index*;

(3) demonstrate a need for the loan;

(4) demonstrate an ability to repay the loan;

(5) certify that the agricultural land to be purchased will be used by the borrower for agricultural purposes;

(6) certify that farming will be the principal occupation of the borrower;

(7) agree to participate in a farm management program approved by the commissioner of agriculture for at least the first five years of the loan, if an approved program is available within 45 miles from the borrower's residence. *The commissioner may waive this requirement for any of the programs administered by the authority if the participant requests a waiver and has either a four year degree in an agricultural program or certification as an adult farm management instructor; and*

(8) agree to file an approved soil and water conservation plan with the soil conservation service office in the county where the land is located.

Sec. 8. Minnesota Statutes 1992, section 41B.04, subdivision 9, is amended to read:

Subd. 9. [RESTRUCTURED LOAN AGREEMENT.] (a) *For a deferred restructured loan, all payments on the primary and secondary principal of the restructured loan, all payments of interest on the secondary principal, and an agreed portion of the interest payable to the eligible agricultural lender on the primary principal must be deferred to the end of the term of the loan.*

~~(b) A borrower may prepay the restructured loan, with all primary and secondary principal and interest and deferred interest at any time without prepayment penalty.~~

~~(c) Interest on secondary principal must accrue at a below market interest rate.~~

~~(d) (c) At the conclusion of the term of the restructured loan, the borrower owes primary principal, secondary principal, and deferred interest on primary and secondary principal. However, part of this balloon payment may be forgiven following an appraisal by the lender and the authority to determine the current market value of the real estate subject to the mortgage. If the current market value of the land after appraisal is less than the amount of debt owed by the borrower to the lender and authority on this obligation, that portion of the obligation that exceeds the current market value of the real property must be forgiven by the lender and the authority in the following order:~~

~~(1) deferred interest on secondary principal;~~

~~(2) secondary principal;~~

~~(3) deferred interest on primary principal;~~

~~(4) primary principal as provided in an agreement between the authority and the lender; and~~

~~(5) accrued but not deferred interest on primary principal.~~

*(d) For an amortized restructured loan, payments must include installments on primary principal and interest on the primary principal. An amortized restructured loan must be amortized over a time period and upon terms to be established by the authority by rule.*

*(e) A borrower may prepay the restructured loan, with all primary and secondary principal and interest and deferred interest at any time without prepayment penalty.*

(e) (f) The authority may not participate in refinancing a restructured loan at the conclusion of the restructured loan.

Sec. 9. Minnesota Statutes 1992, section 41B.04, is amended by adding a subdivision to read:

*Subd. 17. [APPLICATION AND ORIGINATION FEE.] The authority may impose a reasonable nonrefundable application fee for each application and an origination fee for each loan issued under the loan restructuring program. The origination fee is 1.5 percent of the authority's participation interest in the loan and the application fee is \$50. The authority may review the fees annually and make adjustments as necessary. The fees must be deposited in the state treasury and credited to an account in the special revenue fund.*

Sec. 10. Minnesota Statutes 1992, section 41C.05, subdivision 2, is amended to read:

*Subd. 2. [ELIGIBILITY; BEGINNING FARMERS.] The authority shall provide in the agricultural development bond beginning farmer and agricultural business enterprise loan program that a mortgage or a contract on behalf of a beginning farmer may be provided if the borrower qualifies under section 41B.03 and authority rules and under federal tax law governing qualified small issue bonds, and must:*

- (1) be a resident of Minnesota;*
- (2) have sufficient education, training, or experience in the type of farming for which the loan is desired;*
- (3) have a low or moderate net worth, as defined in section 41C.02, subdivision 12;*
- (4) certify that the agricultural land to be purchased will be used by the borrower for agricultural purposes;*
- (5) certify that farming will be the principal occupation of an individual borrower;*
- (6) agree to participate in a farm management program approved by the commissioner of agriculture for at least the first five years of the loan, if an approved program is available within 45 miles from the borrower's residence. The commissioner may waive this requirement for any of the programs administered by the authority if the participant requests a waiver and provides justification; and*
- (7) agree to file an approved soil and water conservation plan with the soil conservation service office in the county where the land is located.*

Sec. 11. [APPROPRIATION.]

*\$17,000 in fiscal year 1994 and \$17,000 in fiscal year 1995 is appropriated from the special revenue fund to the commissioner of agriculture for administrative expenses for the loan restructuring program."*

Delete the title and insert:

*"A bill for an act relating to agriculture; making technical changes in eligibility for certain rural finance authority loan programs; appropriating money; amending Minnesota Statutes 1992, sections 41B.02, subdivisions 7,*

12, 14, 15, and by adding subdivisions; 41B.03, subdivision 3; 41B.04, subdivision 9, and by adding a subdivision; and 41C.05, subdivision 2."

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

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

S.F. No. 553: A bill for an act relating to retirement; Minneapolis and St. Paul teacher retirement fund associations; providing additional funding from various sources; assessing active and retired members for certain teacher retirement fund associations supplemental administrative expenses; modifying certain post retirement adjustments; authorizing contributions by the city of Minneapolis; appropriating money; authorizing certain tax levies by special school district No. 1; amending Minnesota Statutes 1992, sections 354A.12, subdivisions 2, 2a, and by adding subdivisions; and Laws 1959, chapter 462, section 3, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 354A; repealing Laws 1987, chapter 372, article 3, section 1.

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

Page 4, lines 13 and 15, delete "education" and insert "finance"

Page 5, lines 4, 15, and 16, delete "education" and insert "finance"

Page 5, delete lines 18 to 24

Page 7, line 13, after the period, insert "*Supplemental administrative expenses payable by the active members of the pension plan must be picked up by the employer in accordance with section 356.62.*"

Pages 9 to 12, delete section 8

Page 13, line 22, delete "8, 10, and 11" and insert "9, and 10"

Page 13, line 28, delete "9" and insert "8"

Renumber the sections in sequence

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

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

H.F. No. 984: A bill for an act relating to state government; modifying provisions relating to the department of administration; including state licensed facilities in coverage by the state building code; clarifying certain language, changing certain duties of the state building inspector and fee provisions; relating to the Minnesota labor interpretive center; establishing the center as an independent public corporation; transferring appropriations; appropriating money; amending Minnesota Statutes 1992, sections 13B.04; 15.061; 15.50, subdivision 2; 16A.11, by adding a subdivision; 16B.06, subdivision 2; 16B.17; 16B.19, subdivisions 2 and 10; 16B.24, subdivision 6; 16B.27, subdivision 3; 16B.32, subdivision 2; 16B.42, subdivisions 1, 2, 3, and 4; 16B.465, subdivisions 3 and 6; 16B.48, subdivisions 2 and 3; 16B.49; 16B.51, subdivisions 2 and 3; 16B.58, subdivision 8; 16B.60, subdivision 3, and by adding a subdivision; 16B.61, subdivisions 1a and 4; 16B.62, subdivision 1; 16B.66; 16B.70, subdivision 2; 16B.72; 16B.73; 16B.85,

subdivision 1; 94.10, subdivision 1; 343.01, subdivisions 2, 3, and by adding subdivisions; 403.11, subdivision 1; Laws 1979, chapter 333, section 18; and Laws 1991, chapter 345, article 1, section 17, subdivision 4, as amended; proposing coding for new law in Minnesota Statutes, chapter 16B; proposing coding for new law as Minnesota Statutes, chapter 138A; repealing Minnesota Statutes 1992, sections 3.3026; 16B.41, subdivision 4; 16B.56, subdivision 4; and Laws 1987, chapter 394, section 13.

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

Delete everything after the enacting clause and insert:

## “ARTICLE 1

### DEPARTMENT OF ADMINISTRATION

Section 1. Minnesota Statutes 1992, section 13B.04, is amended to read:

#### 13B.04 [REPORT.]

A responsible authority that participates in a matching program shall prepare a report describing matching programs in which the responsible authority has participated during the previous calendar year. The report must be included in a state agency's description of its information systems prepared under section 3.3026, subdivision 3 filed annually with the department of administration.

Sec. 2. Minnesota Statutes 1992, section 15.061, is amended to read:

#### 15.061 [CONSULTANT, PROFESSIONAL AND OR TECHNICAL SERVICES.]

Pursuant to the provisions of In accordance with section 16B.17, the head of a state department or agency may, with the approval of the commissioner of administration, contract for consultant services and professional and or technical services in connection with the operation of the department or agency. A contract negotiated under this section shall is not be subject to the competitive bidding requirements of chapter 46 16B.

Sec. 3. Minnesota Statutes 1992, section 16B.06, subdivision 2, is amended to read:

Subd. 2. [VALIDITY OF STATE CONTRACTS.] A state contract or lease is not valid and the state is not bound by it until it has first been executed by the head of the agency which is a party to the contract and has been approved in writing by the commissioner or a delegate, under this section, by the attorney general or a delegate as to form and execution, and by the commissioner of finance or a delegate, who shall determine that the appropriation and allotment have been encumbered for the full amount of the contract liability. The head of the agency may delegate the execution of specific contracts or specific types of contracts to a deputy or assistant head within the an agency employee if the delegation has been approved by the commissioner of administration and filed with the secretary of state. A copy of every contract or lease extending for a term longer than one year must be filed with the commissioner of finance.

Sec. 4. Minnesota Statutes 1992, section 16B.24, subdivision 6, is amended to read:

Subd. 6. [PROPERTY RENTAL.] (a) [LEASES.] The commissioner shall rent land and other premises when necessary for state purposes. *Notwithstanding subdivision 6a, paragraph (a), the commissioner may lease land or premises for five up to ten years or less, subject to cancellation upon 30 days written notice by the state for any reason except rental of other land or premises for the same use.* The commissioner may not rent non-state-owned land and buildings or substantial portions of land or buildings within the capitol area as defined in section 15.50 unless the commissioner first consults with the capitol area architectural and planning board. If the commissioner enters into a lease-purchase agreement for buildings or substantial portions of buildings within the capitol area, the commissioner shall require that any new construction of non-state-owned buildings conform to design guidelines of the capitol area architectural and planning board. Lands needed by the department of transportation for storage of vehicles or road materials may be rented for five years or less, such leases for terms over two years being subject to cancellation upon 30 days written notice by the state for any reason except rental of other land or premises for the same use. An agency or department head must consult with the chairs of the house appropriations and senate finance committees before entering into any agreement that would cause an agency's rental costs to increase by ten percent or more per square foot or would increase the number of square feet of office space rented by the agency by 25 percent or more in any fiscal year.

(b) [USE VACANT PUBLIC SPACE.] No agency may initiate or renew a lease for space for its own use in a private building unless the commissioner has thoroughly investigated presently vacant space in public buildings, such as closed school buildings, and found that none is available *or use of the space is not feasible, prudent, and cost effective compared with available alternatives.*

(c) [PREFERENCE FOR CERTAIN BUILDINGS.] For needs beyond those which can be accommodated in state-owned buildings, the commissioner shall acquire and utilize space in suitable buildings of historical, architectural, or cultural significance for the purposes of this subdivision unless use of that space is not feasible, prudent and cost effective compared with available alternatives. Buildings are of historical, architectural, or cultural significance if they are listed on the national register of historic places, designated by a state or county historical society, or designated by a municipal preservation commission.

(d) [RECYCLING SPACE.] Leases for space of 30 days or more for 5,000 square feet or more must require that space be provided for recyclable materials.

Sec. 5. Minnesota Statutes 1992, section 16B.32, subdivision 2, is amended to read:

Subd. 2. [ENERGY CONSERVATION GOALS; EFFICIENCY PROGRAM.] (a) The commissioner of administration in consultation with the department of public service, in cooperation with one or more public utilities or comprehensive energy services providers, may conduct a shared-savings program involving energy conservation expenditures of up to \$15,000,000 by July 1, 1996, on state-owned buildings. The public utility or energy services provider shall contract with appropriate state agencies to implement energy efficiency improvements in the selected buildings. A contract must require the public utility or energy services provider to include all energy efficiency

improvements in selected buildings that are calculated to achieve a cost payback within ten years. The contract must require that the public utility or energy services provider be repaid solely from energy cost savings and only to the extent of energy cost savings. Repayments must be interest-free. The goal of the program in this paragraph is to demonstrate that through effective energy conservation the total energy consumption per square foot of state-owned and wholly state-leased buildings could be reduced by at least 25 percent; and ~~climate control energy consumption per square foot could be reduced by at least 15 percent~~ from consumption in the base year of 1990. *All agencies participating in the program must report to the commissioner of administration their monthly energy usage, building schedules, inventory of energy-consuming equipment, and other information as needed by the commissioner to manage and evaluate the program.*

(b) The commissioner may exclude from the program of paragraph (a) a building in which energy conservation measures are carried out. "Energy conservation measures" means measures that are applied to a state building that improve energy efficiency and have a simple return of investment in ~~five~~ *ten* years or within the remaining period of a lease, whichever time is shorter, and involves energy conservation, conservation facilities, renewable energy sources, improvements in operations and maintenance efficiencies, or retrofit activities.

(c) By January 1, 1993, the commissioner shall submit to the legislature a report that includes:

- (1) an energy use survey of new or added space state buildings occupy;
- (2) a plan for conserving energy without undertaking any physical alterations of the space;
- (3) recommendations for physical alterations that would enable the agency to conserve additional energy along with an estimate of the cost of the alterations; and
- (4) recommendations for additional legislation needed to achieve the goal along with an estimate of any costs associated with the recommended legislation.

Sec. 6. Minnesota Statutes 1992, section 16B.42, subdivision 1, is amended to read:

Subdivision 1. [COMPOSITION.] The commissioner of administration shall appoint an intergovernmental information systems advisory council, to serve at the pleasure of the commissioner of administration, consisting of 25 members. Fourteen members shall be appointed or elected officials of local governments, seven shall be representatives of state agencies, and four shall be selected from the community at large. Further, the council shall be composed of (1) two members from each of the following groups: counties outside of the seven county metropolitan area, cities of the second and third class outside the metropolitan area, cities of the second and third class within the metropolitan area, and cities of the fourth class; (2) one member from each of the following groups: the metropolitan council, an outstate regional body, counties within the metropolitan area, cities of the first class, school districts in the metropolitan area, and school districts outside the metropolitan area, and public libraries; (3) one member each from appointed by the state departments of administration, education, human services, revenue, and jobs

and training, the office of strategic and long-range planning, and the legislative auditor; (4) one member from the office of the state auditor, appointed by the auditor; and (5) four members from the state community at large. To the extent permitted by available resources the commissioner shall furnish staff and other assistance as requested by the council the assistant commissioner of administration for the information policy office; (6) one member appointed by each of the following organizations: league of Minnesota cities, association of Minnesota counties, Minnesota association of township officers, and Minnesota association of school administrators; and (7) one member of the house of representatives appointed by the speaker and one member of the senate appointed by the subcommittee on committees of the committee on rules and administration. The commissioner of administration shall appoint members under clauses (1) and (2). The terms, compensation, and removal of the appointed members of the advisory council shall be as provided in section 15.059, but the council does not expire until June 30, 1993 15.0575.

Sec. 7. Minnesota Statutes 1992, section 16B.42, subdivision 2, is amended to read:

Subd. 2. [DUTIES.] The council shall: assist the commissioner state and local agencies in developing and updating intergovernmental information systems, including data definitions, format, and retention standards; recommend to the commissioner policies and procedures governing the collection, security, and confidentiality of data; facilitate participation of users during the development of major revisions of intergovernmental information systems; review intergovernmental information and computer systems involving intergovernmental funding; encourage cooperative efforts among state and local governments in developing intergovernmental information systems to meet individual and collective, operational, and external needs; bring about the necessary degree of standardization consistent with local prerogatives; yield fiscal and other information required by state and federal laws and regulations in readily usable form; present local government concerns to state government and state government concerns to local government with respect to intergovernmental information systems; develop and recommend standards and policies for intergovernmental information systems to the information policy office; foster the efficient use of available federal, state, local, and private resources for the development of intergovernmental systems; keep local governments government agencies abreast of the state of the art in information systems; and; prepare guidelines for intergovernmental systems; and assist the commissioner of administration in the development of cooperative contracts for the purchase of information system equipment and software.

Sec. 8. Minnesota Statutes 1992, section 16B.42, subdivision 3, is amended to read:

Subd. 3. [OTHER DUTIES.] The intergovernmental informations systems advisory council shall (1) recommend to the commissioners of state departments, the legislative auditor, and the state auditor a method for the expeditious gathering and reporting of information and data between agencies and units of local government in accordance with cooperatively developed standards; (2) elect an executive committee, not to exceed seven members from its membership, which must include the assistant commissioner of the information policy office; (3) develop an annual plan, to include administration and evaluation of grants, in compliance with applicable rules; (4) provide technical information systems assistance or guidance to local governments for

development, implementation, and modification of automated systems, including formation of consortiums for those systems; and (5) *appoint committees and task forces, which may include persons other than council members, to assist the council in carrying out its duties.*

Sec. 9. Minnesota Statutes 1992, section 16B.42, subdivision 4, is amended to read:

Subd. 4. [FUNDING.] Appropriations and other funds made available to the council for staff, operational expenses, *projects*, and grants ~~must be administered through the department of administration~~ *are under the control of the council. The council may contract with the department of administration for staff services and administrative support. The council shall reimburse the department for these services. The council may request assistance from other state and local agencies in carrying out its duties.* Fees charged to local units of government for the administrative costs of the council and revenues derived from royalties, reimbursements, or other fees from software programs, systems, or technical services arising out of activities funded by current or prior state appropriations must be credited to the general fund. The unencumbered balance of an appropriation ~~for grants~~ in the first year of a biennium does not cancel but is available for the second year of the biennium.

Sec. 10. Minnesota Statutes 1992, section 16B.465, subdivision 3, is amended to read:

Subd. 3. [DUTIES.] The commissioner, after consultation with the council, shall:

(1) provide voice, data, video, and other telecommunications transmission services to the state and to political subdivisions through ~~the statewide telecommunications access routing system~~ *an account in the intertechnologies revolving fund;*

(2) manage vendor relationships, network function, and capacity planning in order to be responsive to the needs of the system users;

(3) set rates and fees for services;

(4) approve contracts relating to the system;

(5) develop the system plan, including plans for the phasing of its implementation and maintenance of the initial system, and the annual program and fiscal plans for the system; and

(6) develop a plan for interconnection of the network with private colleges in the state.

Sec. 11. Minnesota Statutes 1992, section 16B.465, subdivision 6, is amended to read:

Subd. 6. [REVOLVING FUND.] ~~The statewide telecommunications access and routing system shall operate as part of the intertechnologies revolving fund. Money appropriated to the account for the statewide telecommunications access routing system and fees for communications telecommunications services provided by the statewide telecommunications access and routing system must be deposited in the an account in the intertechnologies revolving fund. Money in the account is appropriated annually to the commissioner to operate the statewide telecommunications access and routing system services.~~

Sec. 12. Minnesota Statutes 1992, section 16B.48, subdivision 2, is amended to read:

Subd. 2. [PURPOSE OF FUNDS.] Money in the state treasury credited to the general services revolving fund and money that is deposited in the fund is appropriated annually to the commissioner for the following purposes:

- (1) to operate a central store and equipment service;
- (2) to operate a central duplication and printing service;
- (3) to ~~purchase postage and related items and to refund postage deposits as necessary to operate the central mailing service, including purchasing postage and related items and refunding postage deposits;~~
- (4) to operate a documents service as prescribed by section 16B.51;
- (5) ~~provide advice and other services to political subdivisions for the management of their telecommunication systems;~~
- (6) to provide services for the maintenance, operation, and upkeep of buildings and grounds managed by the commissioner of administration;
- (7) (6) to provide analytical, statistical, and organizational development services to state agencies, local units of government, metropolitan and regional agencies, and school districts;
- (8) (7) to provide capitol security services through the department of public safety;
- (9) (8) to operate a records center *and provide micrographics products and services;* and
- (10) (9) to perform services for any other agency. Money may be expended for this purpose only when directed by the governor. The agency receiving the services shall reimburse the fund for their cost, and the commissioner shall make the appropriate transfers when requested. The term "services" as used in this clause means compensation paid officers and employees of the state government; supplies, materials, equipment, and other articles and things used by or furnished to an agency; and utility services and other services for the maintenance, operation, and upkeep of buildings and offices of the state government.

Sec. 13. Minnesota Statutes 1992, section 16B.48, subdivision 3, is amended to read:

Subd. 3. [INTERTECHNOLOGIES REVOLVING FUND.] Money in the intertechnologies revolving fund is appropriated annually to the commissioner to operate information, ~~records,~~ and telecommunications services; *including management, consultation, and design services.*

Sec. 14. [16B.482] [REIMBURSEMENT FOR MATERIALS AND SERVICES.]

*The commissioner of administration may provide materials and services under chapter 16B to state legislative and judicial branch agencies and to political subdivisions. Legislative and judicial branch agencies and political subdivisions purchasing materials and services from the commissioner of administration shall reimburse the general services, intertechnologies, and cooperative purchasing revolving funds for costs.*

Sec. 15. Minnesota Statutes 1992, section 16B.49, is amended to read:

**16B.49 [CENTRAL MAILING SYSTEM.]**

The commissioner shall maintain and operate for agencies a central mailing system. Official mail of an agency occupying quarters ~~either in the capitol or in adjoining state buildings~~ *within the boundaries of the city of St. Paul* must be delivered unstamped to the central mailing station. Account must be kept of the postage required on that mail, which is then a proper charge against the agency delivering the mail. To provide funds for the payment of postage, each agency shall make advance payments to the commissioner sufficient to cover its postage obligations for at least 60 days.

Sec. 16. Minnesota Statutes 1992, section 16B.51, subdivision 2, is amended to read:

Subd. 2. [PRESCRIBE FEES.] The commissioner may prescribe fees to be charged for services rendered by the state or an agency in furnishing to those who request them certified copies of records or other documents, certifying that records or documents do not exist and furnishing other reports, publications, *data*, or related material which is requested. The fees, unless otherwise prescribed by law, may be fixed at the market rate. The commissioner of finance is authorized to approve the prescribed rates for the purpose of assuring that they, in total, will result in receipts greater than costs in the fund. Fees prescribed under this subdivision are deposited in the state treasury by the collecting agency and credited to the general services revolving fund. Nothing in this subdivision permits the commissioner of administration to furnish any service which is now prohibited or unauthorized by law.

Sec. 17. Minnesota Statutes 1992, section 16B.51, subdivision 3, is amended to read:

Subd. 3. [SALE OF PUBLICATIONS.] The commissioner may sell official reports, documents, *data*, and ~~other~~ publications of all kinds, may delegate their sale to state agencies, and may establish facilities for their sale within the department of administration and elsewhere within the state service. The commissioner may remit a portion of the price of any publication *or data* to the agency producing the publication *or data*. *Money that is remitted to an agency is annually appropriated to that agency to discharge the costs of preparing the publications or data.*

**Sec. 18. [16B.581] [DISTINCTIVE TAX-EXEMPT LICENSE PLATES.]**

*Vehicles owned or leased by the state of Minnesota must display distinctive tax-exempt license plates unless otherwise exempted under section 168.012. The commissioner of administration shall design these distinctive plates subject to the approval of the registrar. An administrative fee of \$20 and a license plate fee of \$10 for two plates per vehicle or a license plate fee of \$5 for one plate per trailer is paid at the time of registration. The license plate registration is valid for the life of the vehicle or until the vehicle is no longer owned or leased by the state of Minnesota.*

*When the state of Minnesota applies for distinctive tax-exempt plates on vehicles previously owned by local units of government, it shall pay an administrative fee of \$10 and a plate fee that covers the cost of replacement.*

Sec. 19. Minnesota Statutes 1992, section 16B.85, subdivision 1, is amended to read:

Subdivision 1. [ALTERNATIVES TO CONVENTIONAL INSURANCE.] The commissioner may implement programs of insurance or alternatives to the purchase of conventional insurance ~~for~~. *This authority does not extend to areas of risk not subject to: (1) collective bargaining agreements, (2) plans established under section 43A.18, or (3) programs established under sections 176.540 to 176.611, except for the department of administration. The mechanism for implementing possible alternatives to conventional insurance is the risk management fund created in subdivision 2.*

Sec. 20. Minnesota Statutes 1992, section 94.10, subdivision 1, is amended to read:

Subdivision 1. Before offering ~~any~~ surplus state owned lands for sale, the commissioner of administration may survey ~~such the lands, and if the value thereof is estimated to be \$20,000 or less, may have such lands appraised. If the land is located in the metropolitan area defined in section 473.121, subdivision 2, the commissioner shall have the lands appraised if the estimated value is in excess of \$20,000 \$40,000. If the land is outside the metropolitan area, the commissioner shall have the land appraised if the estimated value is in excess of \$20,000.~~ The appraisal ~~shall~~ must be made by ~~not less than three appraisers, at least two of whom shall be residents of the county in which the lands are situated an appraiser selected by the commissioner.~~ Each appraiser shall before entering upon the duties of the office take and subscribe an oath that the appraiser will faithfully and impartially discharge the duties as appraiser according to the best of the appraiser's ability and that the appraiser is not interested directly or indirectly in any of the lands to be appraised or the timber or improvements ~~thereon on the land or in the purchase thereof of the land~~ and has entered into no agreement or combination to purchase ~~the same or any part thereof, which oath shall all or part of the land.~~ A copy of the oath must be attached to the report of ~~such the~~ appraisal. Before offering ~~such~~ surplus state owned lands for public sale, ~~such the lands shall~~ must first be offered to the city, county, town, school district, or other public body ~~corporate or politic~~ in which the lands are situated for public purposes, and they may be sold for ~~such~~ public purposes for not less than ~~the~~ their appraised value ~~thereof~~. To determine whether a public body desires to purchase the surplus land, the commissioner of administration shall give a written notice to the governing body of each political subdivision whose jurisdictional boundaries include or are adjacent to the surplus land. If a public body desires to purchase the surplus land, it shall submit a written offer to the commissioner not later than two weeks after receipt of notice, setting forth in detail its reasons for desiring to acquire and its intended use of the land. In the event that more than one public body tenders an offer, the commissioner shall determine which party ~~shall~~ is to receive the property, and shall submit written findings regarding the decision. If lands are offered for sale for ~~such~~ public purposes, and if a public body notifies the commissioner of administration of its desire to acquire ~~such the~~ lands, the public body may have ~~not to exceed not more than~~ two years from the date of the accepted offer to commence payment for the lands in the manner provided by law.

Sec. 21. Minnesota Statutes 1992, section 343.01, is amended by adding a subdivision to read:

*Subd. 1a. [MINNESOTA HUMANE SOCIETY; CONTINUATION CONFIRMED.] The Minnesota humane society, also known as the Minnesota society for the prevention of cruelty, is confirmed and continued as a nonprofit organization under chapter 317A.*

Sec. 22. Minnesota Statutes 1992, section 343.01, is amended by adding a subdivision to read:

*Subd. 1b. [INDEPENDENT ORGANIZATIONS; POWERS OF THE FEDERATED HUMANE SOCIETIES.] (a) The Minnesota humane society, also known as the Minnesota society for the prevention of cruelty, and the Minnesota federated humane societies are not affiliated with each other or with the state of Minnesota.*

*(b) The Minnesota federated humane societies have the powers given to it under this chapter.*

Sec. 23. Minnesota Statutes 1992, section 343.01, subdivision 2, is amended to read:

*Subd. 2. [NAME OF FEDERATION UNAUTHORIZED USE OF NAMES PROHIBITED.] It shall be is unlawful for any organization, association, firm or corporation not authorized by named in this chapter to refer to itself as or in any way to use the names Minnesota federated humane societies, Minnesota society for the prevention of cruelty, the Minnesota humane society, or any combination of words or phrases using the above names which would imply that it represents, acts in behalf or is a branch of the society or the federation.*

Sec. 24. Minnesota Statutes 1992, section 343.01, subdivision 3, is amended to read:

*Subd. 3. [POWERS AND DUTIES.] The federation and the society must each be governed by a board of directors designated in accordance with chapter 317A. The powers, duties, and organization of the federation and the society and other matters for the conduct of the business of the federation shall be and the society are as provided in chapter 317A and in the federation's articles of incorporation and bylaws of each organization.*

Sec. 25. Minnesota Statutes 1992, section 403.11, subdivision 1, is amended to read:

*Subdivision 1. [EMERGENCY TELEPHONE SERVICE FEE.] (a) Each customer of a local exchange company is assessed a fee to cover the costs of ongoing maintenance and related improvements for trunking and central office switching equipment for minimum 911 emergency telephone service, plus administrative and staffing costs of the department of administration related to managing the 911 emergency telephone service program. Recurring charges by a public utility providing telephone service for updating the information required by section 403.07, subdivision 3, must be paid by the commissioner for information of administration if the utility is included in an approved 911 plan and the charges have been certified and approved under subdivision 3. Money remaining in the 911 emergency telephone service account after all other obligations are paid must not cancel and is carried forward to subsequent years and may be appropriated from time to time to the commissioner of administration to provide financial assistance to counties for the improvement of local emergency telephone services. The improvements may include providing access to minimum 911 service for telephone service subscribers currently without access and upgrading existing 911 service to include automatic number identification, local location identification, automatic location identification, and other improvements specified in revised county 911 plans approved by the department.*

(b) The fee may not be less than eight cents nor more than 30 cents a month for each customer access line, including trunk equivalents as designated by the public utilities commission for access charge purposes. The fee must be the same for all customers.

(c) The fee must be collected by each utility providing local exchange telephone service. Fees are payable to and must be submitted to the commissioner of administration monthly before the 25th of each month following the month of collection, except that fees may be submitted quarterly if less than \$250 a month is due, or annually if less than \$25 a month is due. Receipts must be deposited in the state treasury and credited to a 911 emergency telephone service account in the special revenue fund. The money in the account may only be used for 911 telephone services as provided in paragraph (a).

(d) The commissioner of administration, with the approval of the commissioner of finance, shall establish the amount of the fee within the limits specified and inform the utilities of the amount to be collected. Utilities must be given a minimum of 45 days notice of fee changes.

Sec. 26. Laws 1979, chapter 333, section 18, is amended to read:

Sec. 18. [ADMINISTRATION]

General Operations and Management	15,136,500	15,595,900
Approved Complement - 956		
General - 485		
Special - 11		
Federal - 7		
Revolving - 453		

The amounts that may be expended from this appropriation for each program are as follows:

Management Services

\$ 3,311,200      \$ 3,493,300

The commissioner of administration shall transfer two positions from management analysis to records management to allow the department to meet its responsibilities for records management. These positions may revert to management analysis when they are no longer needed to meet those responsibilities.

Real Property Management

\$ 7,804,200      \$ 7,780,900

~~The commissioner of administration shall charge the department of transportation and the iron range resources and rehabilitation board for engineering services performed on behalf of these agencies.~~

The unencumbered balance in appropriation accounts 16078:14-11 and 16072:14-11 shall be cancelled on July 1, 1979.

State Agency Services

\$ 1,224,400      \$ 1,222,000  
For 1979 - \$169,200

\$169,200 is available as an advance from the general fund to the surplus property revolving fund. Of this amount, \$67,700 is immediately available for payment of outstanding obligations, \$40,000 is immediately available as working capital, and \$61,500 is available for the reduction of obligations incurred between March 1, 1979, and February 29, 1980.

The commissioner of administration shall provide a monthly report to the commissioner of finance consisting of: an operations statement, a balance sheet, an analysis of changes in retained earnings, and a source and use of funds statement. The commissioner of finance is responsible for approving the allotment of the \$61,500 portion of the advance and shall give his approval when potential deficiencies are forecast. If it appears that the \$61,500 portion of the advance will be exhausted prior to January 15, 1980, the commissioner of finance shall promptly notify the governor and the legislative advisory commission of the need for an additional advance.

The commissioner of administration shall by January 15, 1980, provide copies of all monthly reports through the period ending December 31, 1979, to the senate finance committee and the house appropriations committee. The commissioner of finance shall by January 15, 1980, recommend the continuance or discontinuance of the federal surplus property activity to the committee on finance in the senate and the committee on appropriations of the house of representatives.

The advance of \$169,200 shall be returned in full or in increments to the general fund from the surplus property revolving fund when the commissioner of finance determines that retained earnings are in excess of the working capital requirements of the surplus property revolving fund. In the event the surplus property revolving fund is discontinued, any portion of the advance of \$169,200 that has not been returned to the general fund shall, immediately upon liquidation of assets, be paid to the general fund.

#### Public Services

\$ 1,748,900      \$ 2,053,400

\$37,000 the first year and \$40,700 the second year is for the state contribution to the National Conference of State Legislatures.

\$43,900 each year is for the state contribution to the Council of State Governments.

\$6,500 each year is for the expenses of the Interstate Cooperation Commission.

\$5,000 each year is for the Minnesota state employees band.

#### General Support

\$ 1,047,800      \$ 1,046,300

The commissioner of administration with the approval of the commissioner of finance may transfer unencumbered balances not specified for a particular purpose among the above programs. Transfers shall be reported forthwith to

the committee on finance of the senate and the committee on appropriations of the house of representatives.

Sec. 27. Laws 1991, chapter 345, article 1, section 17, subdivision 4, as amended by Laws 1992, chapter 514, section 20, is amended to read:

Subd. 4. Property Management

23,387,000      8,349,000

\$175,000 the first year and \$175,000 the second year from the program's total appropriation are for capitol area repairs and replacements. Any unencumbered balance remaining in the first year does not cancel and is available for the second year.

\$3,825,000 the first year and \$3,884,000 the second year are for office space costs of the legislature and veterans organizations, for ceremonial space, and for statutorily free space.

The department of administration shall discontinue food service management in the state office building for the biennium ending June 30, 1993. Food service shall be managed by the house rules committee as a pilot project for the biennium.

\$50,000 the first year is for the commissioner of administration to study the potential uses for the Waseca campus. The commissioner shall appoint an advisory committee to assist with the study. The commissioner shall report the findings and recommendations from the study to the board of regents, and the education, appropriations, and finance committees of the legislature by January 15, 1992. The appropriation is available if matched by \$1 of nonstate money for each \$10 of this appropriation. In addition, the board of regents of the University of Minnesota is requested to provide additional funding up to \$50,000 to assist in the cost of the study.

The department of administration in consultation with the capitol area architectural and planning board shall study the historic renovation and potential reuse of the Dahl house and report to the senate finance and house appropriations committees by February 1, 1992.

By January 31, 1993, The department of administration shall relocate the state printing ~~operation and related operations~~ from the Ford building to a more suitable location, ~~preferably outside the capitol complex~~ and shall relocate and consolidate offices of the attorney general in the Ford building; ~~when the Ford building shall be is~~ remodeled as office space or ~~when a replacement building is constructed on the site.~~

By December 31, 1992, the department of administration shall relocate the office of the state auditor to a location within the capitol complex.

\$350,000 the first year is for developing a framework for an integrated infrastructure management system including the establishment of a data base of building classification standards. The commissioner of administration shall report by January 1, 1992, on the time and cost of continuing the program for fiscal year 1993.

\$961,000 the first year is to improve security at state parking ramps and lots, to be available upon final enactment.

\$13,781,000 is for the costs relating to agency relocation, consolidation, and colocation, to be available upon final enactment.

#### Sec. 28. [LEGISLATIVE AUDITOR.]

*The legislative audit commission shall consider directing the legislative auditor to conduct a follow-up study of agency contracting and compliance with laws governing contracting.*

#### Sec. 29. [APPROPRIATION.]

*\$200,000 is appropriated from the 911 emergency telephone service account in the special revenue fund to the commissioner of administration to provide emergency poison information through the 911 emergency telephone service. \$100,000 is for fiscal year 1994 and \$100,000 is for fiscal year 1995.*

#### Sec. 30. [REPEALER.]

*Minnesota Statutes 1992, sections 3.3026; 16B.41, subdivision 4; 16B.56, subdivision 4; and Laws 1987, chapter 394, section 13, are repealed.*

#### Sec. 31. [EFFECTIVE DATE.]

*Sections 3, 10 to 14, and 28 are effective on July 1, 1993. Sections 1, 2, 4 to 9, 15 to 27, and 30 are effective the day following final enactment.*

## ARTICLE 2

## STATE BUILDING CODE

Section 1. Minnesota Statutes 1992, section 16B.60, subdivision 3, is amended to read:

Subd. 3. [MUNICIPALITY.] "Municipality" means a city, county, or town meeting the requirements of section 368.01, subdivision 1, the University of Minnesota, or the state for public buildings *and state licensed facilities*.

Sec. 2. Minnesota Statutes 1992, section 16B.60, is amended by adding a subdivision to read:

Subd. 11. [STATE LICENSED FACILITIES.] "*State licensed facilities*" means a building and its grounds that are licensed by the state as a hospital, nursing home, supervised living facility, free-standing outpatient surgical center, or correctional facility.

Sec. 3. Minnesota Statutes 1992, section 16B.61, subdivision 1a, is amended to read:

Subd. 1a. [ADMINISTRATION BY COMMISSIONER.] The commissioner shall administer and enforce the state building code as a municipality with respect to public buildings *and state licensed facilities* in the state. The commissioner shall establish appropriate permit, plan review, and inspection fees for public buildings *and state licensed facilities*. Fees and surcharges for public buildings *and state licensed facilities* must be remitted to the commissioner, who shall deposit them in the state treasury for credit to the special revenue fund.

Municipalities other than the state having a contractual agreement with the commissioner for code administration and enforcement service for public buildings *and state licensed facilities* shall charge their customary fees, including surcharge, to be paid directly to the contractual jurisdiction by the applicant seeking authorization to construct a public building *or a state licensed facility*. The commissioner shall contract with a municipality other than the state for plan review, code administration, and code enforcement service for public buildings *and state licensed facilities* in the contractual jurisdiction if the building officials of the municipality meet the requirements of section 16B.65 and wish to provide those services and if the commissioner determines that the municipality has enough adequately trained and qualified building inspectors to provide those services for the construction project.

Sec. 4. Minnesota Statutes 1992, section 16B.61, subdivision 4, is amended to read:

Subd. 4. [REVIEW OF PLANS FOR PUBLIC BUILDINGS AND STATE LICENSED FACILITIES.] Construction or remodeling may not begin on any public building ~~owned by the~~ *or state licensed facility* until the plans and specifications ~~of the public building~~ have been approved by the commissioner ~~or municipality under contractual agreement pursuant to subdivision 1a. In the case of any other public building,~~ The plans and specifications must be submitted ~~to the commissioner~~ for review, and within 30 days after receipt of the plans and specifications, the commissioner ~~or municipality under contractual agreement~~ shall notify the submitting authority of any ~~recommendations~~ *corrections*.

Sec. 5. Minnesota Statutes 1992, section 16B.62, subdivision 1, is amended to read:

Subdivision 1. [MUNICIPAL ENFORCEMENT.] The state building code applies statewide and supersedes the building code of any municipality. The state building code does not apply to agricultural buildings except with respect to state inspections required or rulemaking authorized by sections 103F.141, 216C.19, subdivision 8, and 326.244. All municipalities shall adopt and enforce the state building code with respect to new construction within their respective jurisdictions.

If a city has adopted or is enforcing the state building code on June 3, 1977, or determines by ordinance after that date to undertake enforcement, it shall enforce the code within the city. A city may by ordinance extend the enforcement of the code to contiguous unincorporated territory not more than two miles distant from its corporate limits in any direction. Where two or more noncontiguous cities which have elected to enforce the code have boundaries less than four miles apart, each is authorized to enforce the code on its side of a line equidistant between them. Once enforcement authority is extended extraterritorially by ordinance, the authority may continue to be exercised in the designated territory even though another city less than four miles distant later elects to enforce the code. After the extension, the city may enforce the code in the designated area to the same extent as if the property were situated within its corporate limits.

A city which, on June 3, 1977, had not adopted the code may not commence enforcement of the code within or outside of its jurisdiction until it has provided written notice to the commissioner, the county auditor, and the town clerk of each town in which it intends to enforce the code. A public hearing on the proposed enforcement must be held not less than 30 days after the notice has been provided. Enforcement of the code by the city *outside of its jurisdiction* commences on the first day of January in the year following the notice and hearing.

Municipalities may provide for the issuance of permits, inspection, and enforcement within their jurisdictions by means which are convenient, and lawful, including by means of contracts with other municipalities pursuant to section 471.59, and with qualified individuals. ~~In areas outside of the enforcement authority of a city, the fee charged for the issuance of permits and inspections for single family dwellings may not exceed the greater of \$100 or .005 times the value of the structure, addition, or alteration.~~ The other municipalities or qualified individuals may be reimbursed by retention or remission of some or all of the building permit fee collected or by other means. In areas of the state where inspection and enforcement is unavailable from qualified employees of municipalities, the commissioner shall train and designate individuals available to carry out inspection and enforcement on a fee basis.

Sec. 6. Minnesota Statutes 1992, section 16B.66, is amended to read:

16B.66 [CERTAIN INSPECTIONS.]

The state building inspector may, upon an application setting forth a set of plans and specifications that will be used in more than one municipality to acquire building permits, review and approve the application for the construction or erection of any building or structure designed to provide dwelling space for no more than two families if the set of plans meets the requirements

of the state building code. All costs incurred by the state building inspector by virtue of the examination of the set of plans and specifications must be paid by the applicant. The plans and specifications or any plans and specifications required to be submitted to a state agency must be submitted to the state building inspector who shall examine them and if necessary distribute them to the appropriate state agencies for scrutiny regarding adequacy as to electrical, fire safety, and all other appropriate features. These state agencies shall examine and promptly return the plans and specifications together with their certified statement as to the adequacy of the instruments regarding that agency's area of concern. A building official shall issue a building permit upon application and presentation to the official of a set of plans and specifications bearing the approval of the state building inspector if the requirements of all other local ordinances are satisfied.

Sec. 7. Minnesota Statutes 1992, section 16B.70, subdivision 2, is amended to read:

Subd. 2. [COLLECTION AND REPORTS.] All permit surcharges must be collected by each municipality and a portion of them remitted to the state. Each municipality having a population greater than 20,000 people shall prepare and submit to the commissioner once a month a report of fees and surcharges on fees collected during the previous month but shall retain *the greater of two percent of the surcharges or that amount collected up to \$25 to apply against the administrative expenses the municipality incurs in collecting the surcharges.* All other municipalities shall submit the report and surcharges on fees once a quarter but shall retain *the greater of four percent of the surcharges or that amount collected up to \$25 to apply against the administrative expenses the municipalities incur in collecting the surcharges.* The report, which must be in a form prescribed by the commissioner, must be submitted together with a remittance covering the surcharges collected by the 15th day following the month or quarter in which the surcharges are collected. All surcharges and other fees prescribed by sections 16B.59 to ~~16B.71~~ 16B.73, which are payable to the state, must be paid to the commissioner who shall deposit them in the state treasury for credit to the general fund.

Sec. 8. Minnesota Statutes 1992, section 16B.72, is amended to read:

16B.72 [REFERENDA ON STATE BUILDING CODE IN NONMETROPOLITAN COUNTIES.]

Notwithstanding any other provision of law to the contrary, a county that is not a metropolitan county as defined by section 473.121, subdivision 4, may provide, by a vote of the majority of its electors residing outside of municipalities that have adopted the state building code before January 1, 1977, that no part of the state building code except the building requirements for handicapped persons applies within its jurisdiction.

The county board may submit to the voters at a regular or special election the question of adopting the building code. The county board shall submit the question to the voters if it receives a petition for the question signed by a number of voters equal to at least five percent of those voting in the last general election. The question on the ballot must be stated substantially as follows:

"Shall the state building code be adopted in ..... County?"

If the majority of the votes cast on the proposition is in the negative, the state building code does not apply in the subject county, outside home rule charter or statutory cities or towns that adopted the building code before January 1, 1977, except the building requirements for handicapped persons do apply.

Nothing in this section precludes a ~~home rule charter or statutory city or town~~ municipality that did not adopt the state building code before January 1, 1977, from adopting and enforcing *by ordinance or other legal means* the state building code within its jurisdiction.

Sec. 9. Minnesota Statutes 1992, section 16B.73, is amended to read:

16B.73 [STATE BUILDING CODE IN MUNICIPALITIES UNDER 2,500; LOCAL OPTION.]

The governing body of a municipality whose population is less than 2,500 may provide that the state building code, except the requirements for handicapped persons, will not apply within the jurisdiction of the municipality, if the municipality is located in whole or in part within a county exempted from its application under section 16B.72. If more than one municipality has jurisdiction over an area, the state building code continues to apply unless all municipalities having jurisdiction over the area have provided that the state building code, except the requirements for handicapped persons, does not apply within their respective jurisdictions. *Nothing in this section precludes a municipality from adopting and enforcing by ordinance or other legal means the state building code within its jurisdiction.*

Sec. 10. [INSTRUCTION TO REVISOR.]

*In the next and subsequent editions of Minnesota Statutes, the revisor of statutes shall change each reference to "state building inspector" to "state building official" in sections 16B.62, subdivision 2; 16B.63, subdivisions 1 to 4; 16B.64, subdivision 7; and 16B.66.*

Sec. 11. [EFFECTIVE DATE.]

*This article is effective the day following final enactment, except that section 7 is effective July 1, 1993.*

### ARTICLE 3

#### REGULATING CONTRACTS FOR PROFESSIONAL OR TECHNICAL SERVICES

Section 1. Minnesota Statutes 1992, section 15.061, is amended to read:

15.061 [~~CONSULTANT, PROFESSIONAL AND OR TECHNICAL SERVICES.~~]

~~Pursuant to the provisions of~~ *In accordance with* section 16B.17, the head of a state department or agency may, with the approval of the commissioner of administration, contract for ~~consultant services and professional and or technical services~~ in connection with the operation of the department or agency. A contract negotiated under this section ~~shall~~ is not ~~be~~ subject to the competitive bidding requirements of chapter ~~46~~ 16B.

Sec. 2. Minnesota Statutes 1992, section 16A.11, is amended by adding a subdivision to read:

*Subd. 3b. [CONTRACTS.] The detailed budget estimate must also include the following information on professional and technical services contracts:*

*(1) the number and amount of contracts over \$25,000 for each agency for the past biennium;*

*(2) the anticipated number and amount of contracts over \$25,000 for each agency for the upcoming biennium; and*

*(3) the total value of all contracts from the previous biennium, and the anticipated total value of all contracts for the upcoming biennium.*

Sec. 3. Minnesota Statutes 1992, section 16B.17, is amended to read:

16B.17 [CONSULTANTS AND PROFESSIONAL OR TECHNICAL SERVICES.]

Subdivision 1. [TERMS.] For the purposes of this section, the following terms have the meanings given them:

(a) [CONSULTANT SERVICES.] "Consultant services" "professional or technical services" means services ~~which~~ that are intellectual in character; ~~which~~ that do not involve the provision of supplies or materials; ~~which~~ that include consultation analysis, evaluation, prediction, planning, or recommendation; and ~~which~~ that result in the production of a report or the completion of a task.

(b) [PROFESSIONAL AND TECHNICAL SERVICES.] "Professional and technical services" means services which are predominantly intellectual in character; ~~which~~ do not involve the provision of supplies or materials; and in which the final result is the completion of a task rather than analysis, evaluation, prediction, planning, or recommendation.

Subd. 2. [PROCEDURE FOR CONSULTANT AND PROFESSIONAL AND OR TECHNICAL SERVICES CONTRACTS.] Before approving a proposed state contract for consultant services or professional and or technical services the commissioner must determine, at least, that:

(1) all provisions of section 16B.19 and subdivision 3 of this section have been verified or complied with;

(2) the work to be performed under the contract is necessary to the agency's achievement of its statutory responsibilities, and there is statutory authority to enter into the contract;

(3) the contract will not establish an employment relationship between the state or the agency and any persons performing under the contract;

(4) no current state employees will engage in the performance of the contract;

(5) no state agency has previously performed or contracted for the performance of tasks which would be substantially duplicated under the proposed contract; and

(6) the contracting agency has specified a satisfactory method of evaluating and using the results of the work to be performed; and

(7) the combined contract and its amendments will not extend for more than five years.

Subd. 3. [DUTIES OF CONTRACTING AGENCY.] Before an agency may seek approval of a ~~consultant or professional and or~~ technical services contract valued in excess of \$5,000, it must certify to the commissioner that:

(1) *the agency has publicized the contract by posting notices at appropriate worksites within agencies and has made reasonable efforts to determine that no state employee, including an employee outside the contracting agency, is able to perform the services called for by the contract;*

(2) *the normal competitive bidding mechanisms will not provide for adequate performance of the services;*

(3) ~~the services are not available as a product of a prior consultant or professional and technical services contract, and the contractor has certified that the product of the services will be original in character;~~

(4) *reasonable efforts were made to publicize the availability of the contract to the public;*

(5) *the agency has received, reviewed, and accepted a detailed work plan from the contractor for performance under the contract; and*

(6) *the agency has developed, and fully intends to implement, a written plan providing for the assignment of specific agency personnel to a monitoring and liaison function; the periodic review of interim reports or other indications of past performance, and the ultimate utilization of the final product of the services; and*

(7) *the agency will not allow the contractor to begin work before funds are fully encumbered.*

*The agency certification must provide detail on how the agency complied with this subdivision. In particular, the agency must describe how it complied with clauses (1) and (4) and what steps it has taken to verify the competence of the proposed contractor.*

Subd. 3a. [RENEWALS.] *The renewal of a professional or technical contract must comply with all requirements, including notice, required for the original contract. A renewal contract must be identified as such. All notices and reports on a renewal contract must state the date of the original contract and the amount paid previously under the contract.*

Subd. 4. [REPORTS.] (a) *The commissioner shall submit to the governor and the legislature legislative reference library a monthly listing of all contracts for consultant services and for professional and or technical services executed or disapproved in the preceding month. The report must identify the parties and the contract amount, duration, and tasks to be performed. The commissioner shall also issue quarterly and annual reports summarizing the contract review activities of the department during the preceding quarter.*

*(b) The monthly, quarterly, and annual reports must:*

*(1) be sorted by agency and by contractor;*

*(2) show the aggregate value of contracts issued by each agency and issued to each contractor;*

*(3) distinguish between contracts that are being issued for the first time and contracts that are being renewed;*

(4) state the termination date of each contract; and

(5) categorize contracts according to subject matter, including topics such as contracts for training, contracts for research and opinions, and contracts for computer systems.

(c) Within 30 days of final completion of a contract over \$5,000 covered by this subdivision, the chief executive of the agency entering into the contract must submit a one-page statement to the chairs of the appropriate policy and finance committees or divisions in the legislature. The report must:

(1) summarize the purpose of the contract, including why it was necessary to enter into a contract to further the agency's mission;

(2) evaluate the conclusions reached under the contract and state how these conclusions help the agency to take action to further accomplish its mission; and

(3) state the amount spent on the contract and explain why this amount was a cost-effective way to enable the agency to provide its services or products better or more efficiently.

Subd. 5. [CONTRACT TERMS.] (a) A consultant or technical and professional or technical services contract must by its terms permit the agency to unilaterally terminate the contract prior to completion, upon payment of just compensation, if the agency determines that further performance under the contract would not serve agency purposes. If the final product of the contract is to be a written report, no more than three copies of the report, one in camera ready form, shall be submitted to the agency; the agency must obtain copies in the most cost-efficient manner. One of the copies must be filed with the legislative reference library.

(b) The terms of the contract must provide that no more than 90 percent of the amount due under the contract may be paid until the final product has been reviewed by the chief executive of the agency entering into the contract, and the chief executive has certified that the contractor has satisfactorily fulfilled the terms of the contract.

Sec. 4. Minnesota Statutes 1992, section 16B.19, subdivision 2, is amended to read:

Subd. 2. [CONSULTANT, PROFESSIONAL AND OR TECHNICAL PROCUREMENTS.] Every state agency shall for each fiscal year designate for awarding to small businesses at least 25 percent of the value of anticipated procurements of that agency for consultant services or professional and or technical services. The set-aside under this subdivision is in addition to that provided by subdivision 1, but shall must otherwise comply with section 16B.17.

Sec. 5. Minnesota Statutes 1992, section 16B.19, subdivision 10, is amended to read:

Subd. 10. [APPLICABILITY.] This section does not apply to construction contracts or contracts for consultant, professional, or technical services under section 16B.17 that are financed in whole or in part with federal funds and that are subject to federal disadvantaged business enterprise regulations.

## ARTICLE 4

## DEPARTMENT OF FINANCE

## Section 1. [3.245] [REVENUE AND EXPENDITURE GOALS; IMPLEMENTATION.]

*Subdivision 1. [GOALS.] By March 15 of each odd-numbered year, the legislature shall by concurrent resolution adopt revenue and expenditure goals for the next two bienniums. The revenue goals must specify the percent of personal income that should be devoted each to state and local needs during each of the two bienniums and must specify the appropriate mix and rates of income, sales, and property taxes and other revenue sources. The revenue goals must reference measures of projected economic growth contained in the most recent forecast as provided under section 4 and the revenue goals proposed by the governor under section 6. The expenditure goals must include state expenditure ranges by broad program areas, open appropriations and entitlements for each biennium, and local expenditure ranges by major categories of political subdivisions. The expenditure goals must not exceed the revenue goals for the same biennium. The goals must reference the expenditure goals proposed by the governor under section 6.*

*Subd. 2. [EVEN-NUMBERED YEAR AND SPECIAL SESSIONS.] The governor or the legislature may elect to modify their goals in a subsequent special or even-numbered year regular session. The requirements of subdivision 1 apply, except that within ten days of the start of the session the dates provided in those subdivisions must be modified to be consistent with the planned date of adjournment.*

Sec. 2. Minnesota Statutes 1992, section 16A.04, subdivision 1, is amended to read:

Subdivision 1. [TO PREPARE, CONSULT, SUPERVISE.] The commissioner shall prepare the biennial budget and long-term financial plan with four-year projections on revenues and expenditures. The governor shall supervise the preparation unless there is a governor-elect, who then shall provide the supervision.

Sec. 3. Minnesota Statutes 1992, section 16A.10, subdivision 2, is amended to read:

Subd. 2. [BY OCTOBER 15 AND NOVEMBER 15.] By October 15, an agency must file the following with the commissioner:

- (1) its budget estimates;
- (2) a concise explanation of any requests for increased appropriations, expansion of services, or new activities;
- (3) a statement of work done during the current biennium and proposed for the next biennium; and
- (4) a list of each employee's name, title, and salary.

The commissioner shall prepare and file the budget estimates for an agency failing to file them. By November 15, the commissioner shall send copies of the filed material to the appropriations and finance committees.

Sec. 4. [16A.103] [FORECASTS OF REVENUE AND EXPENDITURES.]

*Subdivision 1. [STATE REVENUE AND EXPENDITURES.] In February and November each year, the commissioner shall prepare and deliver to the governor and legislature a forecast of state revenue and expenditures. The forecast must assume the continuation of current laws and reasonable estimates of projected growth in the national and state economies and affected populations. Revenue must be estimated for all sources provided for in current law. Expenditures must be estimated for all obligations imposed by law and those projected to occur as a result of inflation and variables outside the control of the legislature. A forecast prepared during the first fiscal year of a biennium must cover that biennium and the next biennium. A forecast prepared during the second fiscal year of a biennium must cover that biennium and the next two bienniums.*

*Subd. 2. [LOCAL REVENUE.] In February and November each year, the commissioner of revenue shall prepare and deliver to the governor and the legislature forecasts of revenue to be received by school districts as a group, counties as a group, and the group of cities and towns that have a population of more than 2,500. The forecasts must assume the continuation of current laws, projections of valuation changes in real property, and reasonable estimates of projected growth in the national and state economies and affected populations. Revenue must be estimated for property taxes, state and federal aids, local sales taxes, if any, and a single projection for all other revenue for each group of affected local governmental units. As part of the February forecast, the commissioner of revenue shall report to the governor and legislature on which groups of local government units exceeded the revenue and expenditure goals of the governor and legislature in the most recent biennium.*

*Sec. 5. Minnesota Statutes 1992, section 16A.11, subdivision 1, is amended to read:*

*Subdivision 1. [WHEN.] The governor shall submit a ~~three-part~~ four-part budget to the legislature. Parts one ~~and~~, two, and three, the budget message ~~and~~, detailed operating budget, and long-term financial plan must be submitted by the fourth Monday in January in each odd-numbered year. Part ~~three~~ four, the detailed recommendations as to capital expenditure, need not be submitted until ~~June 15~~ September 1.*

*Sec. 6. Minnesota Statutes 1992, section 16A.11, is amended by adding a subdivision to read:*

*Subd. 4a. [LONG-TERM FINANCIAL PLAN.] (a) The long-term financial plan is a plan of revenue and expenditures based on the most recent forecasts under section 4 and the governor's determination of state and local needs. The plan is for each of the next two bienniums. It must include revenue goals, expenditure goals for broad program areas, an analysis of structural balance in the budget, and debt capacity guidelines.*

*(b) The revenue goals must specify the percent of personal income that should be devoted each to state and local needs during each biennium. The goals must reference measures of projected economic growth contained in the most recent forecasts under section 4.*

*(c) The expenditure goals must include state expenditure ranges by broad program areas, open appropriations and entitlements for each biennium, and local expenditure ranges by major categories of political subdivisions. The expenditure goals must not exceed the revenue goals for the same biennium.*

(d) *In order to ensure a more stable financial environment for the state, the plan must provide that each biennium will be structurally balanced; except as provided in paragraph (e). For purposes of this subdivision, "structurally balanced" means that revenues projected for the biennium will equal or exceed projected spending for the same biennium.*

(e) *If a biennial budget in the plan is not structurally balanced because the budget reserve is proposed to be used, the plan must specify how the budget reserve will be restored in the following biennium.*

(f) *The debt capacity guidelines must include at least the following: a limit on the percent of general fund nondedicated revenue to be used for debt service; a limit on the ratio of total general obligation debt compared to total personal income; a limit on the ratio of the total of state general obligation debt, moral obligation debt, state bond guarantees, equipment capital leases, and real estate leases compared to state personal income; specifications for the maturity structure of general obligation debt; and a limit on the total amount of contingent liability the state should assume.*

Sec. 7. Minnesota Statutes 1992, section 16A.14, is amended by adding a subdivision to read:

*Subd. 4a. [WORKING PAPERS.] An appropriation working paper does not have the force and effect of law and is not binding on any agency or official regarding the allotment, transfer, or expenditure of all or part of an appropriation, except to the extent that the working paper is set forth in a law.*

Sec. 8. Minnesota Statutes 1992, section 16A.15, subdivision 1, is amended to read:

Subdivision 1. [REDUCTION.] (a) *If the commissioner determines that probable receipts for the general fund will be less than anticipated, and that the amount available for the remainder of the biennium will be less than needed, the commissioner shall may, with the approval of the governor, and after consulting the legislative advisory commission, reduce unexpended allotments of any prior appropriation or transfer as needed to balance expenditures with revenue. The commissioner may defer or suspend prior statutorily created obligations that would prevent making the reductions.*

(b) *If the reductions in unexpended allotments implemented by the commissioner are inadequate to balance expenditures with revenue, the commissioner shall, with the approval of the governor, and after consulting with the legislative advisory commission, reduce the amount in the budget and cash flow reserve account established in subdivision 6 as needed to balance expenditures with revenue.*

(b) (c) *An additional deficit shall, with the approval of the governor, and after consulting the legislative advisory commission, be made up by reducing unexpended allotments of any prior appropriation or transfer. Notwithstanding any other law to the contrary, the commissioner is empowered to defer or suspend prior statutorily created obligations which would prevent effecting such reductions.*

(e) (d) *If the commissioner determines that probable receipts for any other fund, appropriation, or item will be less than anticipated, and that the amount available for the remainder of the term of the appropriation or for any allotment period will be less than needed, the commissioner shall notify the*

agency concerned and then reduce the amount allotted or to be allotted so as to prevent a deficit.

(4) (e) In reducing allotments, the commissioner may consider other sources of revenue available to recipients of state appropriations and may apply allotment reductions based on all sources of revenue available.

(e) (f) In like manner, the commissioner shall reduce allotments to an agency by the amount of any saving that can be made over previous spending plans through a reduction in prices or other cause.

Sec. 9. Minnesota Statutes 1992, section 124.196, is amended to read:

124.196 [CHANGE IN PAYMENT OF AIDS AND CREDITS.]

If the commissioner of finance determines that modifications in the payment schedule ~~are required to avoid~~ *would reduce the need for* state short-term borrowing, the commissioner of education shall modify payments to school districts according to this section. The modifications shall begin no sooner than September 1 of each fiscal year, and shall remain in effect until no later than May 30 of that same fiscal year. In calculating the payment to a school district pursuant to section 124.195, subdivision 3, the commissioner may subtract the sum specified in that subdivision, plus an additional amount no greater than the following:

(1) the net cash balance in the district's four operating funds on June 30 of the preceding fiscal year; minus

(2) the product of \$150 times the number of actual pupil units in the preceding fiscal year; minus

(3) the amount of payments made by the county treasurer during the preceding fiscal year, pursuant to section 276.11, which is considered revenue for the current school year. However, no additional amount shall be subtracted if the total of the net unappropriated fund balances in the district's four operating funds on June 30 of the preceding fiscal year, is less than the product of \$350 times the number of actual pupil units in the preceding fiscal year. The net cash balance shall include all cash and investments, less certificates of indebtedness outstanding, and orders not paid for want of funds.

A district may appeal the payment schedule established by this section according to the procedures established in section 124.195, subdivision 3a.

Sec. 10. [APPROPRIATION.]

*\$120,000 is appropriated from the general fund to the commissioner of revenue for the purposes of this article. \$60,000 is for fiscal year 1994 and \$60,000 is for fiscal year 1995.*

Sec. 11. [EFFECTIVE DATE.]

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

Delete the title and insert:

*"A bill for an act relating to state government; modifying provisions relating to the department of administration; including state licensed facilities in coverage by the state building code; clarifying certain language, changing certain duties of the state building inspector and fee provisions; providing for state financial management reform; appropriating money; amending Minne-*

sota Statutes 1992, sections 13B.04; 15.061; 16A.04, subdivision 1; 16A.10, subdivision 2; 16A.11, subdivision 1, and by adding subdivisions; 16A.14, by adding a subdivision; 16A.15, subdivision 1; 16B.06, subdivision 2; 16B.17; 16B.19, subdivisions 2 and 10; 16B.24, subdivision 6; 16B.32, subdivision 2; 16B.42, subdivisions 1, 2, 3, and 4; 16B.465, subdivisions 3 and 6; 16B.48, subdivisions 2 and 3; 16B.49; 16B.51, subdivisions 2 and 3; 16B.60, subdivision 3, and by adding a subdivision; 16B.61, subdivisions 1a and 4; 16B.62; subdivision 1; 16B.66; 16B.70, subdivision 2; 16B.72; 16B.73; 16B.85, subdivision 1; 94.10, subdivision 1; 124.196; 343.01, subdivisions 2, 3, and by adding subdivisions; 403.11, subdivision 1; Laws 1979, chapter 333, section 18; and Laws 1991, chapter 345, article 1, section 17, subdivision 4, as amended; proposing coding for new law in Minnesota Statutes, chapters 3; 16A; and 16B; repealing Minnesota Statutes 1992, sections 3.3026; 16B.41, subdivision 4; 16B.56, subdivision 4; and Laws 1987, chapter 394, section 13."

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

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

H.F. No. 514: A bill for an act relating to the environment; providing for passive bioremediation; providing for review of agency employee decisions; increasing membership of petroleum tank release compensation board; establishing a fee schedule of costs or criteria for evaluating reasonableness of costs submitted for reimbursement; modifying petroleum tank release cleanup fee; modifying reimbursements; modifying consultant and contractor registration requirements; authorizing board to delegate its reimbursement powers and duties to the commissioner of commerce; requiring a report; authorizing rulemaking; appropriating money; amending Minnesota Statutes 1992, sections 115C.02, subdivisions 10 and 14; 115C.03, by adding subdivisions; 115C.07, subdivisions 1, 2, and 3; 115C.08, subdivisions 1, 2, 3, and 4; 115C.09, subdivisions 1, 3, 3a, 3c, and by adding a subdivision; and 115C.11, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 115C; repealing Minnesota Statutes 1992, sections 115C.01; 115C.02; 115C.021; 115C.03; 115C.04; 115C.045; 115C.05; 115C.06; 115C.065; 115C.07; 115C.08; 115C.09; 115C.10; 115C.11; and 115C.12.

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

Page 1, after line 25, insert:

#### "ARTICLE 1

Section 1. Minnesota Statutes 1992, section 115.061, is amended to read:

#### 115.061 [DUTY TO NOTIFY AND AVOID WATER POLLUTION.]

(a) *Except as provided in paragraph (b)*, it is the duty of every person to notify the agency immediately of the discharge, accidental or otherwise, of any substance or material under its control which, if not recovered, may cause pollution of waters of the state, and the responsible person shall recover as rapidly and as thoroughly as possible such substance or material and take immediately such other action as may be reasonably possible to minimize or abate pollution of waters of the state caused thereby.

*(b) Notification is not required under paragraph (a) for a discharge of five gallons or less of petroleum, as defined in section 115C.02, subdivision 10. This paragraph does not affect the other requirements of paragraph (a)."*

Page 2, delete section 3 and insert:

"Sec. 4. Minnesota Statutes 1992, section 115C.03, is amended by adding a subdivision to read:

*Subd. 1a. [PASSIVE BIOREMEDIATION.] Passive bioremediation must be used for petroleum tank cleanups whenever an assessment of the site determines that there is a low potential risk to public health and the environment."*

Page 3, delete section 5

Page 6, line 20, delete the period

Page 6, delete lines 21 and 22

Page 6, line 23, delete the new language

Page 6, line 24, delete "(c)" and insert "(b)"

Page 10, after line 33, insert:

"Sec. 16. Minnesota Statutes 1992, section 115C.09, is amended by adding a subdivision to read:

*Subd. 9. [INSUFFICIENT FUNDS.] The board may not approve an application for reimbursement if there are insufficient funds available to pay the reimbursement."*

Page 10, line 36, delete "9" and insert "10"

Page 12, after line 31, insert:

"Sec. 20. [PHASE-IN PROCEDURE.]

*In approving applications for reimbursement under Minnesota Statutes, chapter 115C, the petroleum tank release compensation board shall ensure that:*

*(1) the difference between the total amount of reimbursements approved by the board in fiscal year 1994 and the funds available to pay the reimbursements as of June 30, 1994, is at least 30 percent less than the difference between the total amount of reimbursements approved by the board as of June 30, 1993, and the funds available to pay the reimbursements as of that date; and*

*(2) the difference between the total amount of reimbursements approved by the board in fiscal year 1995 and the funds available to pay the reimbursements as of June 30, 1995, is at least 70 percent less than the difference between the total amount of reimbursements approved by the board as of June 30, 1993, and the funds available to pay the reimbursements as of that date.*

Sec. 21. [APPROPRIATION.]

*\$678,000 in fiscal year 1994 and \$618,000 in fiscal year 1995 is appropriated from the petroleum tank release cleanup account in the environmental fund to the commissioner of commerce for providing staff*

*support to the petroleum tank release compensation board under Minnesota Statutes, section 115C.07, subdivision 2."*

Page 13, line 7, after the first period, insert "Section 16 is effective July 1, 1996."

Renumber the sections of article 1 in sequence

Page 13, after line 7, insert:

## "ARTICLE 2

Section 1. Minnesota Statutes 1992, section 115E.03, subdivision 2, is amended to read:

Subd. 2. [SPECIFIC PREPAREDNESS.] The following persons shall comply with the specific requirements of subdivisions 3 and 4 and section 115E.04:

(1) persons who own or operate a vessel that is constructed or adapted to carry, or that carried, oil or hazardous substances in bulk as cargo or cargo residue;

(2) persons who own or operate trucks or cargo trailer rolling stock transporting an average monthly aggregate total of more than ~~100,000~~ 1,000,000 gallons of oil or hazardous substance as cargo in Minnesota;

(3) persons who own or operate railroad car rolling stock transporting an aggregate total of more than 100,000 gallons of oil or hazardous substance as cargo in Minnesota in any calendar month;

(4) persons who own or operate facilities containing ~~100,000~~ 1,000,000 gallons or more of oil or hazardous substance in tank storage at any time;

(5) persons who own or operate facilities where there is transfer of an average monthly aggregate total of more than 100,000 gallons of oil or hazardous substances to or from vessels, tanks, rolling stock, or pipelines, except for facilities where the primary transfer activity is the retail sales of motor fuels;

(6) persons who own or operate hazardous liquid pipeline facilities through which more than 100,000 gallons of oil or hazardous substance is transported in any calendar month; and

(7) persons required to demonstrate preparedness under section 115E.05.

Sec. 2. Minnesota Statutes 1992, section 115E.04, subdivision 1, is amended to read:

Subdivision 1. [PLAN CONTENTS.] Persons required to show specific preparedness under section 115E.03, subdivision 2, shall prepare and maintain a prevention and response plan for a worst case discharge. *Except as provided in subdivisions 2a and 2b*, the plan must:

(1) describe how it is consistent with the requirements of the national or area contingency plans developed under the Oil Pollution Act of 1990;

(2) describe the measures taken to prevent discharges from occurring, including prevention of a worst case discharge, prevention of discharges of

lesser magnitude, and prevention of discharges similar to those that have occurred from the vessel or facility during its history of operation;

(3) identify the individual or individuals having full authority to implement response actions, and those individuals' qualifications and titles;

(4) identify how communication and incident command relationships will be established between the individuals in command of a vessel or facility response and the following persons:

(i) individuals in the employ of the owner or operator of the vessel or facility who are responding to the discharge;

(ii) appropriate federal, state, and local officials; and

(iii) other persons providing emergency response equipment and personnel;

(5) describe the facility or vessel and identify the locations and characteristics of potential worst case discharges from the vessel or facility;

(6) identify the means under section 115E.03, subdivision 4, that will be used to satisfy the requirement to have adequate equipment and personnel to respond to a worst case discharge;

(7) contain copies of contracts, correspondence, or other documents showing that adequate personnel and equipment as described in section 115E.03, subdivision 4, will be available to respond to a worst case discharge;

(8) describe the actions that will be taken by the persons described in section 115E.03, subdivision 4, in the event of a worst case discharge; and

(9) describe the training, equipment testing, periodic drills, and unannounced drills that will be used to ensure that the persons and equipment described in section 115E.03, subdivision 4, are ready for response.

A plan submitted to the federal government under the Oil Pollution Act of 1990 or prepared under other law may be used to satisfy the requirements in clauses (1) to (9) provided that the information required by clauses (1) to (9) is included in the plan.

Sec. 3. Minnesota Statutes 1992, section 115E.04, is amended by adding a subdivision to read:

*Subd. 2a. [ABBREVIATED PLAN FOR TRUCKS.] A person who owns or operates trucks or cargo trailer rolling stock transporting an average monthly aggregate total of more than 10,000 gallons of oil or hazardous substances as cargo in Minnesota shall prepare and maintain an abbreviated prevention and response plan. The abbreviated plan must include:*

*(1) name and business and after business telephone numbers of the individual or individuals having full authority to implement response action;*

*(2) telephone number of the local emergency response organization if that organization cannot be reached by calling 911;*

*(3) a description of the type of rolling stock and the worst case discharge that could occur from such equipment;*

*(4) telephone number of the state duty officer;*

(5) telephone number of an individual or company with adequate personnel and equipment available to respond to a discharge, with evidence that prearrangements for such response have been made;

(6) a description of the training that the owner or operator's truck or cargo trailer operators have received in handling hazardous materials and the emergency response information available in the vehicle;

(7) a description of the action that will be taken by a truck owner or operator in response to a discharge; and

(8) the response plan must be retained on file at the person's principal place of business.

Sec. 4. Minnesota Statutes 1992, section 115E.04, is amended by adding a subdivision to read:

**Subd. 2b. [ABBREVIATED PLAN FOR TANK FACILITIES WITH BETWEEN 10,000 AND 1,000,000 GALLONS OF STORAGE.]** A person who owns or operates a facility that stores more than 10,000 gallons but less than 1,000,000 gallons of oil or hazardous substances shall prepare and maintain an abbreviated prevention and response plan. The abbreviated plan must include:

(1) name and business and after business telephone numbers of the individual or individuals having full authority to implement response action;

(2) telephone number of the local emergency response organization if that organization cannot be reached by calling 911;

(3) a description of the facility, tank capacities, spill prevention and secondary containment measures at the facility, and the worse case discharge that could occur at the facility;

(4) telephone number of the state duty officer;

(5) documentation that adequate personnel and equipment will be available to respond to a discharge, with evidence that prearrangements for such response have been made;

(6) a description of the training employees at the facility receive in handling hazardous materials and in emergency response information;

(7) a description of the action that will be taken by the facility owner or operator in response to a discharge; and

(8) the response plan must be retained on file at the person's principal place of business.

**Sec. 5. [115E.11] [PENALTIES.]**

The commissioner shall deposit any penalties for violations of this chapter or section 115.061 which are related to petroleum discharges or threatened discharges into the petroleum tank release cleanup account.

**Sec. 6. [115E.13] [PIPELINE AND RAIL FUELING FACILITY FOLLOW-UP.]**

**Subdivision 1. [PIPELINE DISCHARGE SITE NOTIFICATION.]** (a) By January 1, 1994, owners or operators of hazardous liquid pipeline facilities may provide a written report to the pollution control agency of the leaks,

ruptures, breaks, repairs, maintenance problems, or other incidents in which petroleum was or may have been discharged prior to the effective date of this act from the pipeline or pipeline pump stations within the state. The agency shall consider the following in determining the acceptability of the report:

- (1) the discharge or discharge discovery date;
- (2) pipeline milepost and approximate legal description of the incident location;
- (3) known circumstances of the discharge or possible discharge;
- (4) the approximate volume of the discharge; and
- (5) a description of the cleanup undertaken by the owner or operator and by previous owners or operators.

(b) In compiling the report, the owner or operator shall attempt, to the extent reasonably possible, to:

- (1) examine reports made to the United States Department of Transportation Office of Pipeline Safety and predecessor offices;
- (2) examine files of cleanups undertaken by the owner or operator and the files of predecessor owners or operators which may be in the possession of or available to the owner or operator;
- (3) examine the pipeline charts and maintenance records to identify sections of pipeline that have been repaired or replaced since original installation and determine whether each repair or replacement was associated with a discharge; and
- (4) interview employees or former employees who have knowledge of the historic operation of the pipeline.

**Subd. 2. [RAIL REFUELING FACILITY NOTIFICATION.]** (a) By January 1, 1994, owners or operators of railroads that transfer fuel into railroad engines may provide a written report to the pollution control agency of the facilities at which the owner or operator and predecessor owners or operators have refueled railroad engines within the state prior to the effective date of this act. The agency shall consider the following in determining the acceptability of the report:

- (1) the approximate legal description of the facility location;
- (2) the years in which the facility has operated;
- (3) the approximate yearly volume of refueling done at the facility;
- (4) whether an investigation of petroleum contamination has ever been done at the facility;
- (5) whether soil or track ballast visibly contaminated by fuel is present at the facility;
- (6) whether fueling at the facility is done from a fixed location or via mobile tanks;
- (7) whether track pans or other means to contain fueling spills are in place at the facility and the approximate date of installation; and

(8) a description of any fuel cleanups undertaken at the facility by the owner or operator and by previous owners or operators.

(b) In compiling the report the owner or operator shall attempt, to the extent reasonably possible, to:

(1) examine records of cleanups undertaken by the owner or operator and those records of predecessor owners or operators which may be in the possession of or available to the owner or operator;

(2) examine the fueling and land ownership records of the owner or operator and those records of predecessor owners or operators which may be in the possession of or available to the owner or operator; and

(3) interview employees or former employees who have knowledge of the past operation of the railroad.

Subd. 3. [LIMITING PENALTIES WHEN APPROPRIATE ACTION TAKEN.] (a) For discharge sites or facilities listed in reports submitted under subdivision 1, paragraph (a), or subdivision 2, paragraph (a), the agency shall not seek or impose penalties when an owner or operator who has failed to report or recover the discharge under section 115.061, takes appropriate action to report and correct confirmed discharges under this section.

(b) This section does not affect:

(1) the obligation of the owner or operator under section 115.061 to recover discharged material once it has been discovered; or

(2) the authority of the agency, commissioner, or attorney general to order or compel investigations or corrective actions or to obtain information regarding discharges or releases.

#### Sec. 7. [APPROPRIATION.]

(a) \$200,000 in fiscal year 1994 and \$237,000 in fiscal year 1995 is appropriated from the petroleum tank release cleanup account in the environmental fund to the commissioner of the pollution control agency for the purposes of Minnesota Statutes, chapter 115E.

(b) Of the amounts appropriated from the environmental fund to the commissioner of the pollution control agency for the biennium ending June 30, 1995, \$125,000 in fiscal year 1994 and \$177,000 in fiscal year 1995 is available for the purposes of Minnesota Statutes, chapter 115E.

(c) Of the amounts appropriated from the environmental fund to the commissioner of the pollution control agency for the biennium ending June 30, 1995, the commissioner of the pollution control agency shall transfer \$70,000 in fiscal year 1994 and \$58,000 in fiscal year 1995 to the commissioner of natural resources for the purposes of Minnesota Statutes, chapter 115E."

Amend the title as follows:

Page 1, line 14, after "sections" insert "115.061;"

Page 1, line 16, delete "1, 2," and insert "2"

Page 1, line 18, delete "a"

Page 1, line 19, delete "subdivision; and" and insert "subdivisions;" and after the second semicolon, insert "115E.03, subdivision 2; and 115E.04, subdivision 1, and by adding subdivisions;"

Page 1, line 20, delete "chapter" and insert "chapters"

Page 1, line 21, after the semicolon, insert "and 115E;"

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

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

S.F. No. 683: A bill for an act relating to insurance; credit; permitting the sale of credit involuntary unemployment insurance; amending Minnesota Statutes 1992, sections 47.016, subdivision 1; 48.185, subdivision 4; 52.04, subdivision 1; 56.125, subdivision 3; 56.155, subdivision 1; 60K.03, subdivision 7; 60K.19, subdivision 3; 62B.01; 62B.02, by adding a subdivision; 62B.03; 62B.04, by adding a subdivision; 62B.05; 62B.06, subdivisions 1, 2, and 4; 62B.07, subdivisions 2 and 6; 62B.08, subdivisions 1, 3, 4, and by adding subdivisions; 62B.09; subdivision 3; 62B.11; 62B.12; and 72A.20, subdivision 27.

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

Page 19, line 21, strike "ENFORCEMENT" and insert "RULEMAKING"

Page 19, lines 24 to 26, delete the new language

Page 19, line 27, delete the new language and strike the old language

Page 19, lines 28 to 35, strike the old language

Page 19, line 36, strike "stay has been ordered by a court of competent jurisdiction."

Page 20, line 5, after the stricken period, insert "*The commissioner shall promulgate rules to establish rates for credit involuntary unemployment insurance prior to its issuance, and to enact the other provisions of this act. The commissioner is not obligated to promulgate a rule unless and until four or more insurers who plan to write credit involuntary unemployment insurance in Minnesota agree to pay for the cost of the promulgation of any rules authorized by this section. Companies selling credit involuntary unemployment insurance shall be assessed by the department to pay the costs of rulemaking.*

*Moneys collected pursuant to this provision must be deposited in the state treasury and credited to a special account and are appropriated to the commissioner for the rulemaking purposes authorized by this section.*

*For the purposes of chapter 62B, any insurer authorized to offer the coverage specified by section 60A.06, subdivision 1, clause (4), shall be authorized to sell credit involuntary unemployment insurance pursuant to this chapter."*

Page 20, delete section 27

Page 21, line 1, delete "27" and insert "26"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "appropriating money;"

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

### **SECOND READING OF SENATE BILLS**

S.F. Nos. 579, 1501, 1314, 545, 154, 860, 1524, 861, 908, 867, 553 and 683 were read the second time.

### **SECOND READING OF HOUSE BILLS**

H.F. Nos. 1436, 1225, 1060, 984 and 514 were read the second time.

### **MOTIONS AND RESOLUTIONS - CONTINUED**

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

### **MESSAGES FROM THE HOUSE**

Mr. President:

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

S.F. No. 1074: A bill for an act relating to natural resources; management of state-owned lands by the department of natural resources; deletion of land from Moose Lake state recreation area; private use of state trails; appropriating money; amending Minnesota Statutes 1992, sections 84.0273; 84.632; 85.015, by adding a subdivision; 86A.05, subdivision 14; 92.06, subdivision 1; 92.14, subdivision 2; 92.19; 92.29; 92.67, subdivision 5; 94.10; 94.11; 94.13; 94.343, subdivision 3; 94.348, subdivision 2; and 97A.135, subdivision 2, and by adding a subdivision.

Senate File No. 1074 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 8, 1993

Mr. Price moved that the Senate do not concur in the amendments by the House to S.F. No. 1074, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. President:

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

S.F. No. 413: A bill for an act relating to state lands; authorizing the sale of certain tax-forfeited lands that border public water in St. Louis county; authorizing the conveyance of certain Willmar regional treatment center land to Kandiyohi county.

Senate File No. 413 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 8, 1993

Mr. Janezich moved that the Senate do not concur in the amendments by the House to S.F. No. 413, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1114:

H.F. No. 1114: A bill for an act relating to game and fish; stamp design; training of hunting dogs; clothing requirements; raccoon season; rough fish taking by nonresidents; muskie size limits; taking of mussels; advance of matching funds; financing waterfowl development; defining "undressed bird"; regulating the taking of deer; regulating seasons on muskrat, mink, otter, and beaver; required license to take and condition of fish brought into the state from Canada; authorizing suspension of requirements upon action by Canadian authorities; amending Minnesota Statutes 1992, sections 84.085, by adding a subdivision; 97A.015, subdivision 49, and by adding a subdivision; 97A.045, subdivision 7; 97A.091, subdivision 2; 97A.531; 97B.005, subdivisions 2 and 3; 97B.041; 97B.071; 97B.621, subdivision 1; 97B.911; 97B.915; 97B.921; 97S.925; 97C.375; 97C.405; and 97C.701, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 97A; repealing Minnesota Statutes 1992, sections 97A.541; 97C.701, subdivisions 3, 4, and 5; 97C.705; and 97C.711.

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

Milbert; Anderson, I. and Weaver have been appointed as such committee on the part of the House.

House File No. 1114 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 10, 1993

Mr. Berg moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 1114, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 574:

H.F. No. 574: A bill for an act relating to retirement; administrative changes, age discrimination act compliance, death-while-active surviving spouse benefit improvements by the Minnesota state retirement system, the public employees retirement association, and teachers retirement association; amending Minnesota Statutes 1992, sections 3A.02, subdivision 1, and by adding a subdivision; 352.01, subdivisions 2b, and by adding a subdivision; 352.03, subdivisions 4, 4a, and 6; 352.04, subdivision 9; 352.113, subdivisions 2, 4, and 7; 352.115, subdivision 8; 352.12, subdivisions 1, 2, 3, 4, 7, 10, and 13; 352.15, subdivision 1a, and by adding subdivisions; 352.22, subdivisions 1 and 2; 352.23; 352.85, subdivision 4; 352.93, subdivision 2a; 352.94; 352.95, subdivisions 1, 2, 3, and 5; 352.951; 352.96, subdivisions 3 and 4; 352B.01, subdivisions 3 and 11; 352B.08, subdivisions 1 and 2a; 352B.10, subdivisions 1, 2, and 5; 352B.101; 352B.105; 352B.11, subdivision 2; 352C.01; 352C.021; 352C.031; 352C.033; 352C.04; 352C.051; 352C.09; 352D.015, subdivision 4; 352D.02, subdivision 3, and by adding a subdivision; 352D.04, subdivision 1; 352D.05, subdivisions 1, 3, and 4; 352D.09, subdivision 5, and by adding subdivisions; 353.01, subdivisions 2, 2a, 2b, 6, 7, 10, 11a, 12, 16, 28, 31, 32, and by adding subdivisions; 353.017; 353.27, subdivision 7; 353.29, subdivision 1; 353.32, subdivision 1a; 353.33, subdivisions 1, 2, 3, 4, 6, 8, 11, and by adding a subdivision; 353.34, subdivisions 1 and 3; 353.35; 353.37; 353.64, subdivisions 1 and 5a; 353.656, subdivisions 1, 1a, 3, 5, and by adding subdivisions; 353A.08, subdivisions 1, 3, and 5; 353A.10, subdivision 4; 353B.11, subdivision 6; 353C.08, subdivisions 1 and 2; 353D.02; 353D.04; 353D.05, subdivision 3; 353D.07, subdivision 2; 354.35; 354.46, subdivisions 1 and 2; 354.48, subdivisions 3 and 10; 356.302, subdivisions 4 and 6; 356.453; 356.61; and 490.124, subdivisions 1 and 4; proposing coding for new law in Minnesota Statutes, chapter 3A; repealing Minnesota Statutes 1992, sections 3A.06; 352.01, subdivision 7; 352.12, subdivision 5; 352.22, subdivision 9; 352.73; 352B.01, subdivision 2a; 352B.131; 352B.14; 352B.261; 352B.262; 352B.28; 352D.05, subdivision 5; and 353.656, subdivision 6.

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

Reding, Kahn, Knickerbocker, Greiling and Johnson, R. have been appointed as such committee on the part of the House.

House File No. 574 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 10, 1993

Mr. Stumpf moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 574, and that a Conference Committee of 5 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1039:

H.F. No. 1039: A bill for an act relating to auctioneers; prohibiting certain cities and towns from requiring additional licenses of persons licensed as auctioneers by a county; proposing coding for new law in Minnesota Statutes, chapter 330.

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

Garcia; Brown, C. and Gutknecht have been appointed as such committee on the part of the House.

House File No. 1039 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 10, 1993

Mr. Bertram moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 1039, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1585:

H.F. No. 1585: A bill for an act relating to crime; imposing penalties for a variety of firearms-related offenses; expanding forfeiture provisions; revising and increasing penalties for stalking, harassment, and domestic abuse offenses; providing for improved training, investigation and enforcement of these laws; increasing penalties for and making revisions to certain controlled substance offenses; increasing penalties for crimes committed by groups; increasing penalties and improving enforcement of arson and related crimes; making certain changes to restitution and other crime victim laws; revising laws relating to law enforcement agencies, and state and local corrections agencies; requiring certain counties to establish pretrial diversion programs; revising and increasing penalties for a variety of other criminal laws; clarifying certain provisions for the new felony sentencing system; making technical corrections to sentencing statutes; regulating crimes in certain shopping areas; making knowing transfer of HIV virus a felony; increasing parental liability; limiting right to refuse blood testing; appropriating money; amending Minnesota Statutes 1992, sections 8.16, subdivision 1; 13.87, subdivision 2; 16B.08, subdivision 7; 127.03, subdivision 3; 144.765; 144A.04, subdivisions 4 and 6; 144A.11, subdivision 3a; 144B.08, subdivision 3; 152.01, by adding a subdivision; 152.021, subdivision 3; 152.022, subdivisions 1, 2, and 3; 152.023, subdivisions 2 and 3; 152.024, subdivisions 1 and 3; 152.025, subdivision 3; 152.026; 152.0971, subdivisions 1, 3, and by adding subdivisions; 152.0972, subdivision 1; 152.0973, subdivisions 2, 3, and by adding a subdivision; 152.0974; 152.18, subdivision 1; 168.346;

169.121, subdivision 3a; 169.222, subdivisions 1 and 6; 169.64, subdivision 3; 169.98, subdivision 1a; 214.10, by adding subdivisions; 238.16, subdivision 2; 241.09; 241.26, subdivision 5; 241.67, subdivision 2; 243.166, subdivision 1; 243.23, subdivision 3; 244.01, subdivision 8, and by adding a subdivision; 244.05, subdivisions 1b, 4, 5, and by adding a subdivision; 244.065; 244.101; 244.14, subdivisions 2 and 3; 244.15, subdivision 1; 244.17, subdivision 3; 244.171, subdivisions 3 and 4; 244.172, subdivisions 1 and 2; 260.185, subdivisions 1 and 1a; 260.193, subdivision 8; 260.251, subdivision 1; 299A.35, subdivision 2; 299C.46, by adding a subdivision; 299D.03, subdivision 1; 299D.06; 299F.04, by adding a subdivision; 299F.815, subdivision 1; 388.23, subdivision 1; 390.11, by adding a subdivision; 390.32, by adding a subdivision; 401.02, subdivision 4; 473.386, by adding a subdivision; 480.0591, subdivision 6; 480.30; 485.018, subdivision 5; 518B.01, subdivisions 2, 3, 6, 7, 9, and 14; 540.18, subdivision 1; 541.15; 609.02, subdivision 6; 609.0341, subdivision 1; 609.035; 609.05, subdivision 1; 609.06; 609.101, subdivisions 2, 3, and 4; 609.11; 609.135, subdivisions 1, 1a, and 2; 609.1352, subdivision 1; 609.14, subdivision 1; 609.15, subdivision 2; 609.152, subdivisions 1 and 2; 609.175, subdivision 2, and by adding a subdivision; 609.184, subdivision 2; 609.196; 609.224, subdivision 2; 609.229, subdivision 3; 609.251; 609.341, subdivisions 10, 17, 18, and 19; 609.344, subdivision 1; 609.345, subdivision 1; 609.346, subdivisions 2, 2b, and 5; 609.3461; 609.378, subdivision 1; 609.494; 609.495; 609.505; 609.531, subdivision 1; 609.5314, subdivision 1; 609.562; 609.563, subdivision 1; 609.576, subdivision 1; 609.582, subdivision 1a; 609.585; 609.605, subdivision 1, and by adding a subdivision; 609.66, subdivisions 1, 1a, and by adding subdivisions; 609.67, subdivisions 1 and 2; 609.686; 609.71; 609.713, subdivision 1; 609.746, by adding a subdivision; 609.748, subdivisions 1, 2, 3, 5, 6, 8, and by adding subdivisions; 609.79, subdivision 1; 609.795, subdivision 1; 609.856, subdivision 1; 609.891, subdivision 2; 609.902, subdivision 4; 611A.02, subdivision 2; 611A.031; 611A.0315; 611A.04, subdivisions 1, 1a, 3, and by adding a subdivision; 611A.06, subdivision 1; 611A.52, subdivisions 5, 8, and 9; 611A.57, subdivisions 2, 3, and 5; 611A.66; 624.711; 624.712, subdivisions 5, 6, and by adding a subdivision; 624.713; 624.7131, subdivisions 1, 4, and 10; 624.7132; 626.05, subdivision 2; 626.13; 626.556, subdivision 10; 626.8451, subdivision 1a; 626A.05, subdivision 1; 626A.06, subdivisions 4, 5, and 6; 626A.10, subdivision 1; 626A.11, subdivision 1; 628.26; 629.291, subdivision 1; 629.34, subdivision 1; 629.341, subdivision 1; 629.342, subdivision 2; 629.72; 631.046, subdivision 1; 631.41; and 641.14; Laws 1991, chapter 279, section 41; Laws 1992, chapter 571, article 7, section 13, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 121; 152; 169; 174; 242; 260; 401; 473; 593; 609; 611A; and 624; repealing Minnesota Statutes 1992, sections 152.0973, subdivision 4; 214.10, subdivisions 4, 5, 6, and 7; 241.25; 609.02, subdivisions 12 and 13; 609.131, subdivision 1a; 609.605, subdivision 3; 609.746, subdivisions 2 and 3; 609.747; 609.79, subdivision 1a; 609.795; subdivision 2; 611A.57, subdivision 1; and 629.40, subdivision 5.

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

Skoglund, Bishop, Carruthers, McGuire and Brown, C. have been appointed as such committee on the part of the House.

House File No. 1585 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 10, 1993

Mr. Kelly moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 1585, and that a Conference Committee of 5 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

### MOTIONS AND RESOLUTIONS – CONTINUED

Mr. Cohen moved that S.F. No. 615, No. 68 on General Orders, be stricken and re-referred to the Committee on Jobs, Energy and Community Development. The motion prevailed.

### RECESS

Mr. Moe, R.D. moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

### APPOINTMENTS

Mr. Moe, R.D. from the Subcommittee on Committees recommends that the following Senators be and they hereby are appointed as a Conference Committee on:

S.F. No. 1275: Messrs. Mondale, Merriam and Ms. Wiener.

H.F. No. 454: Ms. Runbeck, Messrs. Riveness and Beckman.

S.F. No. 1105: Messrs. Betzold, Hottinger and Oliver.

H.F. No. 1178: Ms. Berglin, Mr. Benson, D.D.; Mses. Piper, Kiscaden and Mr. Luther.

H.F. No. 1133: Ms. Johnson, J.B.; Mr. Novak, Ms. Anderson, Messrs. Dille and Chandler.

S.F. No. 1046: Ms. Pappas, Mr. Hottinger and Ms. Kiscaden.

H.F. No. 129: Mr. Betzold, Mses. Reichgott and Robertson.

H.F. No. 994: Mr. Spear, Ms. Kiscaden, Messrs. Finn, Knutson and Ms. Piper.

H.F. No. 1205: Messrs. Kelly, Cohen and Ms. Pappas.

H.F. No. 584: Ms. Johnson, J.B.; Messrs. Marty and Frederickson.

H.F. No. 931: Messrs. Bertram, Morse and Larson.

S.F. No. 1074: Messrs. Price, Merriam and Morse.

S.F. No. 413: Messrs. Janezich, Finn and Novak.

H.F. No. 988: Messrs. Stumpf, Lessard and Frederickson.

H.F. No. 1151: Messrs. Langseth, Stumpf and Berg.

H.F. No. 1114: Messrs. Berg, Lessard and Mrs. Pariseau.

H.F. No. 1039: Messrs. Bertram, Stumpf and Dille.

H.F. No. 1585: Messrs. Kelly, Spear, Ms. Anderson, Ranum and Mr. McGowan.

H.F. No. 574: Messrs. Stumpf, Riveness, Terwilliger, Morse and Larson.

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

### INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mr. Luther, Ms. Wiener, Berglin, Messrs. Merriam and Benson, D.D. introduced—

S.F. No. 1629: A bill for an act relating to health care; establishing a grant program for research on women's health issues; appropriating money.

Referred to the Committee on Health Care.

Messrs. Mondale, Finn, Hottinger, Ms. Ranum and Mr. Chandler introduced—

S.F. No. 1630: A bill for an act relating to commerce; consumer rights; giving the attorney general certain investigatory and enforcement powers under the human rights act; requiring the attorney general to provide prosecution assistance to certain counties; prohibiting certain commercial telephone solicitations; requiring the commissioner of human rights to adopt rules for marketing public housing; applying the cold weather rule to propane users; requiring a study on protections for natural gas users; prescribing penalties; amending Minnesota Statutes 1992, sections 8.15; 8.31, subdivisions 1, 3, 3a, and by adding a subdivision; 216B.01; 363.032; 363.06, subdivision 1; 363.061, by adding a subdivision; 363.121; and 363.14, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 216B; 325G; and 363.

Referred to the Committee on Jobs, Energy and Community Development.

Messrs. Hottinger, Kelly, Ms. Kiscaden, Robertson and Reichgott introduced—

S.F. No. 1631: A bill for an act relating to civil actions; providing that proof of a person's failure to use seat belts is admissible in litigation; amending Minnesota Statutes 1992, sections 169.685, subdivision 4; and 604.01, by adding a subdivision.

Referred to the Committee on Judiciary.

Messrs. Morse, Stumpf, Pogemiller, Riveness and Mrs. Benson, J.E. introduced—

S.F. No. 1632: A bill for an act relating to retirement; providing for a transfer of certain previously forfeited contribution amounts for certain individual retirement account plan members; amending Minnesota Statutes 1992, section 354B.02, subdivision 2.

Referred to the Committee on Governmental Operations and Reform.

### MEMBERS EXCUSED

Ms. Pappas was excused from the Session of today from 9:00 to 10:40 a.m. Mr. Janezich was excused from the Session of today from 9:00 to 10:30 a.m. Ms. Johnson, J.B. was excused from the Session of today from 9:30 to 9:35 a.m. Mr. Dille was excused from the Session of today from 9:00 to 10:00 a.m. Mr. Johnson, D.J. was excused from the Session of today from 9:00 to 9:35 a.m. and 2:00 to 2:15 p.m. Mr. Lessard was excused from the Session of today from 2:30 to 2:40 p.m. Ms. Reichgott and Mr. Novak were excused from the Session of today from 9:00 to 9:30 a.m. Mr. Metzen was excused from the Session of today from 11:20 a.m. to 12:25 p.m. Mr. Beckman was excused from the Session of today from 9:00 to 11:00 a.m.

### ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 9:30 a.m., Tuesday, May 11, 1993. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate