

## SEVENTY-THIRD DAY

St. Paul, Minnesota, Friday, March 18, 1994

The Senate met at 11:45 a.m. and was called to order by the President.

### CALL OF THE SENATE

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

Prayer was offered by Senator Pat Piper.

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

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

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 File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 1709: A bill for an act relating to taxation; property tax refund; uncapping the appropriation for targeting for 1994 only; requiring counties to provide the commissioner of revenue with certain data; appropriating money; amending Minnesota Statutes 1993 Supplement, section 290A.04, subdivision 2h.

Senate File No. 1709 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 17, 1994

Mr. Riveness moved that S.F. No. 1709 be laid on the table. 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. 1901, 2016, 2090 and 2074.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 17, 1994

### FIRST READING OF HOUSE BILLS

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

H.F. No. 1901: A bill for an act relating to local government; permitting the city of Hutchinson to incur debt for certain improvements; authorizing a reverse referendum on the issuance of city bonds.

Referred to the Committee on Metropolitan and Local Government.

H.F. No. 2016: A bill for an act relating to commerce; regulating mortgage payment services; requiring a bond or other security; amending Minnesota Statutes 1992, section 332.13, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 332.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1847, now on the Consent Calendar.

H.F. No. 2090: A bill for an act relating to local government; providing that the statutory procedure for tree removal does not apply to trees removed from town roads dedicated by plat; amending Minnesota Statutes 1992, section 160.22, subdivision 7a, and by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1856, now on the Consent Calendar.

H.F. No. 2074: A bill for an act relating to crime prevention; juvenile justice; providing for adult court jurisdiction over juveniles alleged to have committed first degree murder or first degree criminal sexual conduct after age 16; providing for presumptive certification to adult court for juveniles alleged to have committed other prison-level felonies; authorizing the court or the prosecutor to designate a juvenile a serious youthful offender; authorizing adult felony sentences for serious youthful offenders; extending juvenile court jurisdiction to age 23; limiting certification to adult court to felony offenses; extending a right to jury trial to serious youthful offenders; requiring that a juvenile have an in-person consultation with counsel before waiving right to counsel; requiring appointment of counsel or standby counsel for juveniles charged with gross misdemeanors or felonies or when out-of-home delinquency placement is proposed; providing for adult court jurisdiction over juveniles alleged to have committed nonfelony-level traffic offenses after age 16; authorizing the juvenile court to require parents to attend delinquency hearings; providing for the sharing of certain data collected or maintained on juveniles; requiring county attorneys to establish juvenile diversion programs;

providing mandatory minimum sentences for drive-by shooting crimes; expanding the crime relating to the possession of dangerous weapons on school property; increasing penalties for certain firearms offenses involving youth; establishing a task force on juvenile justice programming evaluation and planning; requiring that the department of corrections provide programming for serious and repeat juvenile offenders; appropriating money; amending Minnesota Statutes 1992, sections 13.99, subdivision 79; 242.31, subdivision 1; 242.32; 260.015, subdivision 5; 260.111, by adding a subdivision; 260.115, subdivision 1; 260.121, subdivision 3; 260.125; 260.131, by adding a subdivision; 260.132; 260.155, subdivision 2, and by adding a subdivision; 260.161, subdivisions 1a, 2, and by adding a subdivision; 260.181, subdivision 4; 260.185, subdivision 3; 260.193, subdivisions 1, 3, 4, 6, and by adding a subdivision; 260.211, subdivision 1; 260.215, subdivision 1; 260.291; 268.31; 609.055, subdivision 2; 611.15; 611.19; 611.25, subdivision 1; 611A.02, by adding a subdivision; and 611A.77, subdivision 1; Minnesota Statutes 1993 Supplement, sections 13.46, subdivision 2; 144.651, subdivisions 2, 21, and 26; 253B.03, subdivisions 3 and 4; 260.155, subdivision 1; 260.161, subdivisions 1 and 3; 299A.35, subdivisions 1 and 2; 299C.65, subdivision 1; 401.065, subdivision 1, and by adding a subdivision; 609.11, subdivision 9; 609.66, subdivision 1d; 624.713, subdivision 1; 624.7132, subdivision 15; and 624.7181, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 260; 299A; 388; and 609; repealing Minnesota Statutes 1992, section 260.125, subdivision 3.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1845.

### REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted, with the exception of the report on S.F. No. 1981 and reports pertaining to appointments. The motion prevailed.

Ms. Reichgott Junge from the Committee on Judiciary, to which was re-referred

S.F. No. 1662: A bill for an act relating to family; adopting the uniform interstate family support act; repealing the revised uniform reciprocal enforcement of support act; proposing coding for new law in Minnesota Statutes, chapter 518C; repealing Minnesota Statutes 1992, sections 518C.01 to 518C.36.

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

Page 21, line 2, delete "*first*"

Page 21, line 3, delete "*class*," and delete the second comma

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

Mr. Chmielewski from the Committee on Transportation and Public Transit, to which was referred

S.F. No. 1896: A bill for an act relating to transportation; including in state transportation plan and development guide certain transportation matters

relating to metropolitan area; prohibiting federal block grant funds from being spent on trunk highways unless ancillary to public transit facilities; requiring compliance with comprehensive choice housing requirements before metropolitan council may approve proposed highway project or plan; adding metropolitan transit goals; amending Minnesota Statutes 1992, sections 174.03, subdivision 1a; 473.146, subdivision 3; 473.167, by adding a subdivision; and 473.371, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 174.

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 174.03, subdivision 1a, is amended to read:

Subd. 1a. [REVISION OF STATE TRANSPORTATION PLAN.] The commissioner shall revise the state transportation plan by July 1, 1993, and by July 1 of each odd-numbered year thereafter. Before final adoption of a revised plan, the commissioner shall hold a hearing to receive public comment on the plan. The revised state transportation plan must:

(1) incorporate the goals of the state transportation system in section 174.01; ~~and~~

(2) establish objectives, policies, and strategies for achieving those goals; ~~and~~

(3) *establish transportation objectives, policies, and strategies for the metropolitan area, as defined in section 473.121, subdivision 2, to help stabilize and enhance the social and economic health of the central cities, the fully developed area, and the metropolitan area as a whole.*

Sec. 2. Minnesota Statutes 1992, section 473.146, subdivision 3, is amended to read:

Subd. 3. [TRANSPORTATION CHAPTER OF THE DEVELOPMENT GUIDE.] The transportation chapter must include policies relating to all transportation forms and be designed to promote the legislative determinations, policies, and goals set forth in section 473.371. In addition to the requirements of subdivision 1 regarding the contents of the policy plan, the nontransit element of the transportation chapter must include the following:

(1) a statement of the needs and problems of the metropolitan area with respect to the functions covered, including the present and prospective demand for and constraints on access to regional business concentrations and other major activity centers and the constraints on and acceptable levels of development and vehicular trip generation at such centers;

(2) the objectives of and the policies to be forwarded by the policy plan;

(3) a general description of the physical facilities and services to be developed;

(4) a statement as to the general location of physical facilities and service areas;

(5) a general statement of timing and priorities in the development of those physical facilities and service areas;

(6) a detailed statement, updated every two years, of timing and priorities for improvements and expenditures needed on the metropolitan highway system; ~~and~~

(7) a general statement on the level of public expenditure appropriate to the facilities;

(8) *procedures for determining whether the need to be met by any highway project that involves capacity improvement could be met at less cost, with less traffic congestion, and less environmental impact by transit improvements within the same transportation corridor; and*

(9) *provisions for consideration of the effects of highway projects in conjunction with land use and housing, including low- and moderate-income housing, on the social and economic isolation of low-income populations from growing economic opportunities in the developing suburban areas, within the area immediately affected by the project and within the entire metropolitan area.*

The council shall develop the nontransit element in consultation with the transportation advisory board and shall transmit the results to the state department of transportation.

Sec. 3. Minnesota Statutes 1992, section 473.371, subdivision 2, is amended to read:

Subd. 2. [GOALS.] The goals of sections 473.371 to 473.449 are as follows:

(a) to provide, to the greatest feasible extent, a basic level of mobility for all people in the metropolitan area;

(b) to arrange to the greatest feasible extent for the provision of a comprehensive set of transit and paratransit services to meet the needs of all people in the metropolitan area;

(c) to cooperate with private and public transit providers to assure the most efficient and coordinated use of existing and planned transit resources; ~~and~~

(d) to maintain public mobility in the event of emergencies or energy shortages; *and*

*(e) to help stabilize and enhance the social and economic health of the metropolitan area by ensuring to the greatest feasible extent comprehensive transit services including, but not limited to, service connecting the central cities to areas with employment opportunities and services.*

Sec. 4. [APPLICATION.]

*Sections 2 and 3 apply in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington."*

Amend the title as follows:

Page 1, delete lines 5 to 9

Page 1, line 10, delete everything before "amending"

Page 1, line 12, delete everything after the semicolon

Page 1, line 13, delete "subdivision;" and delete "; proposing" and insert a period

Page 1, delete line 14

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

Mr. Chmielewski from the Committee on Transportation and Public Transit, to which was referred.

S.F. No. 1990: A bill for an act relating to motor vehicles; making technical corrections; taxing commuter vans as buses for vehicle registration purposes; allowing holder of personalized license plates to have priority for those plates in next registration period as long as holder keeps registration current; providing for temporary 60-day permits while waiting for special ready reserve license plates or special collegiate license plates; requiring vehicle dealers to file information relating to temporary registration permits issued to new purchasers; requiring drive-away in transit license plates and insurance for transporting vehicles; regulating vehicle dealers; requiring that parking certificate for disabled person hang from rearview mirror; specifying parking certificate expiration times for persons with permanent and temporary disabilities; providing for administrative hearings regarding deputy registrars; requiring secured parties to be notified when a dealer buys a late model or high value salvage vehicle; amending Minnesota Statutes 1992, sections 168.011, subdivision 7; 168.013, subdivision 1f, and by adding a subdivision; 168.053, subdivision 1; 168.054; 168.09, subdivision 7; 168.092, subdivision 2; 168.12, subdivision 2a; 168.126, subdivision 1; 168.27, subdivisions 1, 12, 13, 15, 16, and 17; 168.33, subdivision 2; 168A.11, subdivision 2; 168A.153, subdivision 2; 169.345, subdivision 1; and 325F.662, subdivision 3; Minnesota Statutes 1993 Supplement, section 169.345, subdivision 3.

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

Page 12, line 12, delete "*vehicle in transit*" and insert "*temporary*"

Page 13, line 15, strike "*pickup truck*" and insert "*vehicle*"

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

Mr. Mondale, for Mrs. Adkins, from the Committee on Metropolitan and Local Government, to which was referred.

S.F. No. 2274: A bill for an act relating to Freeborn county; permitting the appointment of the recorder and auditor/treasurer; authorizing the reorganization of county offices.

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

Mr. Mondale, for Mrs. Adkins, from the Committee on Metropolitan and Local Government, to which was referred.

S.F. No. 1880: A bill for an act relating to government; providing that a public body may close one or more meetings for preliminary consideration of

charges against an individual subject to its authority; amending Minnesota Statutes 1992, section 471.705, subdivision 1d.

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

Mr. Mondale, for Mrs. Adkins, from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 2460: A bill for an act relating to Washington county; providing for a reverse referendum to make certain county offices appointive rather than elective.

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

Mr. Mondale, for Mrs. Adkins, from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 2383: A bill for an act relating to Koochiching county; permitting the appointment of the recorder; authorizing the reorganization of the office.

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

Mr. Chmielewski from the Committee on Transportation and Public Transit, to which was referred

S.F. No. 2260: A bill for an act relating to public safety; making technical corrections; allowing special, coded license plates to be issued, following impoundment of former plates, to licensed driver identified by vehicle's registered owner; requiring department of public safety to keep records for five years of cancellations and disqualifications of drivers' licenses, unless rescinded; classifying offenses of following too closely and erratic lane change as serious traffic offenses for purposes of disqualifying driver from operating commercial motor vehicle; requiring same waiting period for Minnesota limited driver's license whether offense was committed in Minnesota or in another state; amending Minnesota Statutes 1992, sections 168.042, subdivision 12; 171.12, subdivisions 1, 3, and 3a; 171.165, subdivision 4; and 260.151, subdivision 1; Minnesota Statutes 1993 Supplement, sections 171.22, subdivision 1; 171.29, subdivision 2; and 171.30, subdivision 2a.

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

Page 4, line 24, strike "or"

Page 4, line 27, before the period, insert "; or

*(9) to display as a valid driver's license any canceled, revoked, or suspended driver's license. A person whose driving privileges have been withdrawn may display a driver's license only for identification purposes"*

Amend the title as follows:

Page 1, line 12, after the semicolon, insert "imposing a penalty for displaying invalid driver's license as being valid;"

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

Mr. Solon from the Committee on Commerce and Consumer Protection, to which was referred

S.F. No. 1848: A bill for an act relating to real estate; regulating trust accounts; clarifying a definition for purposes of licensing real estate appraisers; amending Minnesota Statutes 1992, section 82B.02, by adding a subdivision; Minnesota Statutes 1993 Supplement, section 82.24, subdivision 1.

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

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 1993 Supplement, section 82.197, subdivision 3, is amended to read:

Subd. 3. [SCOPE AND EFFECT.] ~~The requirements for disclosure of agency relationships set forth in this chapter are intended only to establish a minimum standard for regulatory purposes, and are not intended to abrogate common law.~~ *Disclosures made in accordance with the requirements for disclosure of agency relationships set forth in this chapter are sufficient to satisfy common law disclosure requirements. In addition, when a principal in the transaction is a licensee or a relative or business associate of the licensee, that fact must be disclosed in writing in addition to any other required disclosures. The commissioner, in consultation with representatives of the real estate industry, consumer groups, the attorney general's office, and any other group deemed appropriate by the commissioner, shall study current required disclosure forms and recommend any additions that may be necessary to ensure that consumers are informed of the various agency relations and how they affect the consumer. The commissioner shall prepare legislation for the 1995 session which incorporates those recommendations."*

Page 2, line 8, delete "14" and insert "15"

Page 2, line 13, delete "Section 1 and 2" and insert "Sections 1 to 3"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, before "amending" insert "regulating dual agency disclosure;"

Page 1, line 6, delete "section" and insert "sections 82.197, subdivision 3; and"

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

Mr. Solon from the Committee on Commerce and Consumer Protection, to which was referred

S.F. No. 1847: A bill for an act relating to commerce; regulating mortgage payment services; requiring a bond or other security; amending Minnesota Statutes 1992, section 332.13, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 332.

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 332.13, subdivision 2, is amended to read:

Subd. 2. "Debt prorating" means the performance of any one or more of the following:

(a) managing the financial affairs of an individual by distributing income or money to the creditors thereof;

(b) receiving funds for the purpose of distributing said funds among creditors in payment or partial payment of obligations of a debtor; or

(c) settling, adjusting, prorating, pooling, or liquidating the indebtedness of a debtor. Any person so engaged or holding out as so engaged shall be deemed to be engaged in debt prorating regardless of whether or not a fee is charged for such services. This term shall not include services performed by the following when engaged in the regular course of their respective businesses and professions:

(1) Attorneys at law, escrow agents, accountants, broker-dealers in securities;

(2) Banks, state or national, trust companies, savings and loan associations, building and loan associations, title insurance companies, insurance companies and all other lending institutions duly authorized to transact business in the state of Minnesota, provided no fee is charged for such service;

(3) Persons who, as employees on a regular salary or wage of an employer not engaged in the business of debt prorating, perform credit services for their employer;

(4) Public officers acting in their official capacities and persons acting pursuant to court order;

(5) Nonprofit corporations, organized under Minnesota Statutes 1967, Chapter 317, giving debt prorating service, provided no fee is charged for such service;

(6) Any person while performing services incidental to the dissolution, winding up or liquidation of a partnership, corporation or other business enterprise;

(7) The state of Minnesota, its political subdivisions, public agencies and their employees;

(8) Credit unions, provided no fee is charged for such service;

(9) "Qualified organizations" designated as representative payees for purposes of the Social Security and Supplemental Security Income representative payee system and the federal Omnibus Budget Reconciliation Act of 1990, Public Law Number 101-508; and

(10) *Mortgage payment servicers. "Mortgage payment servicers" are persons who, after satisfying the requirements of section 332.30, receive funds to make mortgage payments to a lender or lenders, on behalf of mortgagors, in order to meet or exceed regularly scheduled minimum payment obligations*

*under the terms of the indebtedness, but shall not include persons or entities described in clauses (1) to (9).*

**Sec. 2. [332.30] [MORTGAGE PAYMENT SERVICERS; BOND REQUIREMENTS.]**

*Before beginning business in this state, a mortgage payment servicer, as defined in section 332.13, subdivision 2, clause (10), shall submit to the commissioner of commerce either:*

*(1) a surety bond in which the mortgage payment servicer is the obligor; or*

*(2) if the commissioner agrees to accept it, a deposit:*

*(i) in cash in an amount equivalent to the bond sum; or*

*(ii) of securities of the type that may legally be purchased by savings banks or trust funds with an aggregate market value equal to the bond sum. The cash or securities must be deposited with the state treasurer.*

*If a bond is submitted, it must name as surety an insurance company authorized to transact fidelity and surety business in the state. The bond must run to the state of Minnesota for the use of the state and of any person who may have a claim against the obligor arising out of the obligor's activities as a mortgage payment servicer. The bond must be conditioned that the obligor will not commit any fraudulent act and will faithfully conform to and abide by the provisions of mortgage payment services agreements with Minnesota residents. The amount of the bond shall vary with the amount of Minnesota client funds held by the obligor. The amount shall be determined on the basis of the highest deposit balance during the last 12 months of business in Minnesota, or, if the obligor has not done business in the state for 12 months, on the basis of those months in which business was conducted. For new businesses, the bond shall be \$100,000. The amount of bond required shall be equal to the amount of average client funds held. If at any time the average amount of funds held in any two consecutive months is 150 percent or more of the bond amount, the obligor shall immediately increase the bond amount by 100 percent. If a mortgage payment servicer has failed to account to a mortgagor or distribute funds to the mortgagee as required by a mortgage payment services agreement, the mortgagor or the mortgagor's legal representative or receiver or the commissioner shall have, in addition to any other legal remedies, a right of action in the name of the debtor on the bond or the security given pursuant to this section.*

**Sec. 3. [332.301] [BOND; BACKGROUND CHECK.]**

*The commissioner may accept an initial surety bond in an amount less than \$100,000 based on the business plan of the mortgage payment servicer, provided the commissioner obtains a third-party background check at the expense of the mortgage payment servicer and from a source to be determined by the commissioner. The commissioner may require a third-party background check in connection with any mortgage payment servicer at the expense of the mortgage payment servicer, but no more often than annually.*

**Sec. 4. [332.302] [CONTRACTS; NOTICE TO MORTGAGOR.]**

*A contract entered into between a mortgage payment servicer and a mortgagor shall be in writing and include all applicable terms and conditions including, but not limited to, all fees, costs, and charges. A conforming copy must be provided to the mortgagor before any fees in connection with the*

*mortgage payment services are received by the mortgage payment servicer. A contract shall provide that the arrangement between the mortgage payment servicer and lender or lenders requires:*

*(1) that if the original terms of the mortgage, mortgage note, or escrow agreement are in default because of nonpayment by the mortgage payment servicer, the lender or lenders mail or otherwise deliver to the mortgagor a written notice within 30 days of the default; and*

*(2) that a written summary of payments received by the mortgage payment servicer by date and amount, payments made to the lender or lenders on behalf of the mortgagor by date and amount and unremitted balance held by the mortgage payment servicer be provided to the mortgagor at least annually or more frequently on a date or dates mutually agreed upon between the mortgage payment servicer and mortgagor.*

Sec. 5. [332.303] [REPORT; DATA COLLECTION.]

*The commissioner shall report by March 1, 1995, to the senate commerce and consumer protection committee and to the house of representatives committee on commerce and economic development, the status of the development of the mortgage payment services business. The commissioner shall make recommendations on the effectiveness of the safeguards in this act based on his experience and questionnaires and statistical data to be required from every mortgage payment servicer in a form determined by the commissioner to be filed with the commissioner by January 31 of each year, beginning January 31, 1995.*

Sec. 6. [332.304] [SEGREGATED ACCOUNTS.]

*A payment received by a mortgage payment servicer from or on behalf of a client shall be held by the mortgage payment servicer in a separate trust account clearly designated for client funds. The account shall be in a bank or other depository institution authorized or chartered under the laws of any state or of the United States. The mortgage payment servicer shall not commingle funds held for payment to lenders with its own property or funds.*

Sec. 7. [EFFECTIVE DATE.]

*Sections 1 to 6 are effective the day following final enactment."*

Delete the title and insert:

▷ "A bill for an act relating to commerce; regulating mortgage payment services; requiring a bond or other security; permitting third-party background checks; regulating contracts; requiring a report on the industry and collection of industry data; segregating accounts; amending Minnesota Statutes 1992, section 332.13, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 332."

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

Mr. Marty from the Committee on Ethics and Campaign Reform, to which was referred

S.F. No. 2199: A bill for an act relating to elections; codifying the congressional district plan adopted by the Minnesota special redistricting panel; proposing coding for new law in Minnesota Statutes, chapter 2;

repealing Minnesota Statutes 1992, sections 2.741; 2.751; 2.761; 2.771; 2.781; 2.791; 2.801; and 2.811.

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

Mr. Marty from the Committee on Ethics and Campaign Reform, to which was referred

S.F. No. 2297: A bill for an act relating to elections; eliminating combined precincts but authorizing a combined polling place under the same conditions; adding three years to the time precinct boundaries may be changed; requiring separate precincts for each congressional district; limiting precinct boundary changes close to an election; amending Minnesota Statutes 1992, sections 204B.14, subdivisions 2 and 3; 204B.22, subdivision 1; and 205A.11; Minnesota Statutes 1993 Supplement, section 204B.14, subdivisions 4 and 5; repealing Minnesota Statutes 1992, sections 204B.14, subdivision 8; and 204B.16, subdivision 2.

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

Mr. Marty from the Committee on Ethics and Campaign Reform, to which was referred

S.F. No. 2197: A bill for an act relating to elections; codifying and recodifying the legislative district boundaries used for the 1992 election, with adjustments to avoid dividing the cities of Willernie and New Hope and simplify the division of Ham Lake; providing for distribution and correction of redistricting plans; amending Minnesota Statutes 1992, sections 2.031, subdivision 2; 2.043; 2.053; 2.063; 2.073; 2.083; 2.093, subdivision 2; 2.103; 2.113; 2.123; 2.133; 2.143; 2.153, subdivision 2; 2.163; 2.173; 2.183; 2.193; 2.203, subdivision 1; 2.213; 2.223; 2.233; 2.243; 2.253; 2.263; 2.273; 2.283; 2.293; 2.313; 2.323; 2.333; 2.343; 2.353; 2.363; 2.373; 2.383; 2.393; 2.403; 2.413; 2.433; 2.443; 2.453, subdivision 1; 2.463; 2.473, subdivision 2; 2.483, subdivision 2; 2.493; 2.503; 2.513, subdivision 1; 2.523; 2.533; 2.543, subdivision 1; 2.553; 2.563; 2.573; 2.583; 2.593, subdivision 2; 2.603; 2.613, subdivision 2; 2.623; 2.633, subdivision 2; 2.643; 2.653, subdivision 1; 2.663; 2.673; 2.683, subdivision 1; 2.693; and 2.703, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 2.

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

Page 31, lines 23 and 24, before "Rockford" insert "Old"

Page 67, after line 22, insert:

"Sec. 68. [MUNICIPAL BOUNDARY ADJUSTMENTS.]

*Each city divided by a legislative district boundary that is moved by this act shall by ordinance adjust its precinct and ward boundaries so that no precinct lies in more than one legislative district."*

Renumber the sections in sequence

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

Mr. Chmielewski from the Committee on Transportation and Public Transit, to which was referred

S.F. No. 1981: A bill for an act relating to railroads; authorizing rail carriers to participate in loan guarantee program; defining terms; amending eligibility requirements; amending Minnesota Statutes 1992, sections 222.55; 222.56, subdivisions 5, 6, and by adding subdivisions; 222.57; and 222.58, subdivision 2.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 222.55, is amended to read:

222.55 [RAIL USER AND RAIL CARRIER LOAN GUARANTEE PROGRAM; PURPOSE.]

In order to aid rail users in obtaining credit for participation in contracts for rail line *and rolling stock* rehabilitation, *acquisition, or installation* and for paying the costs of capital improvements necessary to improve rail service or reduce the impact of discontinuance of rail service, *and to aid rail carriers in the rehabilitation of locomotives and the acquisition and rehabilitation of rolling stock*, there is established a rail user and rail carrier loan guarantee program to provide state money in guarantee of loans made according to the provisions of sections 222.55 to 222.62.

Sec. 2. Minnesota Statutes 1992, section 222.56, subdivision 5, is amended to read:

Subd. 5. [LOAN.] "Loan" means a loan or advance of credit *provided by a financial institution* to a rail user or rail carrier for participation in contracts for rail line *or rolling stock* rehabilitation, *acquisition, or installation*, a rail carrier for rehabilitation of locomotives or for paying the costs of capital improvements necessary to improve rail service or reduce the impact of discontinuance of rail service.

Sec. 3. Minnesota Statutes 1992, section 222.56, subdivision 6, is amended to read:

Subd. 6. [~~PERSONAL~~ GUARANTEE.] "~~Personal~~ Guarantee" means a personal or corporate obligation to pay the loan.

Sec. 4. Minnesota Statutes 1992, section 222.56, is amended by adding a subdivision to read:

Subd. 8. [RAIL CARRIER.] "*Rail carrier*" means a common carrier by rail engaged in rail transportation of people, goods, or products for hire.

Sec. 5. Minnesota Statutes 1992, section 222.56, is amended by adding a subdivision to read:

Subd. 9. [ROLLING STOCK.] "*Rolling stock*" means rail cars, machinery, and equipment, but does not include maintenance of way equipment or tools used in the maintenance or upgrade of track, used by a rail carrier to move people, goods, and products.

Sec. 6. Minnesota Statutes 1992, section 222.57, is amended to read:

222.57 [RAIL USER AND RAIL CARRIER LOAN GUARANTEE ACCOUNT.]

There is created a rail user *and rail carrier* loan guarantee account as a separate account in the rail service improvement account, which shall be used by the commissioner for carrying out the provisions of sections 222.55 to 222.62 with respect to loans insured under section 222.58. The commissioner may transfer to the rail user *and rail carrier* loan guarantee account from money otherwise available in the rail service improvement account whatever amount is necessary to implement the rail user *and rail carrier* loan guarantee program and may withdraw any amount from the rail user *and rail carrier* loan guarantee account that is not required to insure outstanding loans as provided in section 222.60, subdivision 1.

Sec. 7. Minnesota Statutes 1992, section 222.58, subdivision 2, is amended to read:

Subd. 2. [ELIGIBILITY REQUIREMENTS.] A loan is eligible for insurance under this section under the following conditions:

(a) The loan shall be in an original principal amount, bear an interest rate, contain complete amortization provisions, and have a maturity satisfactory under such terms as the commissioner may prescribe by rule.

(b) The proceeds of the loan shall be used solely for

(i) participation in contracts for capital investment loans for rail line rehabilitation, ~~or acquisition, or installation;~~

(ii) (2) capital improvement projects designed to improve rail service or reduce the economic impact of discontinuance of rail service. ~~The projects,~~ and may include but are not limited to construction or improvement of short segments of rail line, such as side track, team track, and connections between existing lines; and construction and improvement of loading, unloading, storage, ~~and transfer facilities, and rail facilities of the rail user users or rail carriers;~~

(3) *rehabilitation of locomotives owned by rail carriers primarily in operation on railroad lines within the state;*

(4) *rehabilitation or acquisition of rolling stock owned or acquired by rail users or rail carriers operating or doing business primarily within the state; or*

(5) *costs of technical and inspection services related to the rehabilitation of locomotives or rolling stock.*

(c) The loan agreement shall contain such terms and provisions with respect to any other matters as the commissioner may prescribe.

(d) The borrower provides a ~~personal~~ guarantee and collateral for the loan which is acceptable to the commissioner as sufficient security to protect the interests of the state."

And when so amended the bill do pass. Mr. Merriam questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Mondale, for Mrs. Adkins, from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 2476: A bill for an act relating to local government; authorizing establishment of Nashwauk area ambulance district.

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

Page 1, line 8, delete "*Calument*" and insert "*Calumer*"

Page 1, line 9, after "*Nashwauk*," insert "*Bearville*,"

Page 3, line 16, delete "*, but not to exceed \$25,000 each year*"

Page 3, line 29, delete "*Calument*" and insert "*Calumer*"

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

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

S.F. No. 1975: A bill for an act relating to agriculture; providing for uniformity of certain food laws with federal regulations; amending Minnesota Statutes 1992, sections 31.101; 31.102, subdivision 1; 31.103, subdivision 1; and 31.104.

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

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

S.F. No. 2042: A bill for an act relating to lawful gambling; authorizing class D licensees to transmit and receive telecasts of horse races; amending Minnesota Statutes 1992, section 240.13, subdivision 1.

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

Page 2, after line 20, insert:

*"A class D licensee may not conduct simulcasting for wagering purposes unless the licensee has a written contract, permitting the simulcasting, with the horseperson's organization representing the breed being simulcast under authority of the class D license. The horsepersons' organization is the horseperson's organization referred to in section 240.13, subdivision 5, paragraph (b), that is presently representing the horsepersons of the breed involved or, if there is no live racing in Minnesota for that breed at the time of the simulcast, the organization which represented the horsepersons of that breed at the last live race meet conducted for that breed by a class B licensee at a class A racing facility in this state."*

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

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

S.F. No. 1945: A bill for an act relating to water; creating programs to provide financial assistance to address nonpoint source water pollution in the departments of agriculture and trade and economic development and the

pollution control agency; establishing the drinking water revolving fund administered by the public facilities authority and the department of health; changing the membership of the public facilities authority; increasing the authority's bonding authority; requiring rulemaking; providing for certain exemptions from rulemaking; appropriating money; amending Minnesota Statutes 1992, sections 13.99, by adding a subdivision; 116.182, subdivisions 2, 3, 4, and 5; 446A.02, subdivision 1, and by adding a subdivision; 446A.03, subdivision 3; 446A.07, subdivisions 4, 6, 8, 9, 10, and 11; 446A.071, subdivision 1; 446A.11, subdivision 1; 446A.12, subdivision 1; and 446A.15, subdivision 6; Minnesota Statutes 1993 Supplement, section 446A.03, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 17; 116; and 446A; repealing Minnesota Statutes 1992, section 446A.08.

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

Pages 1 to 3, delete sections 1 and 2 and insert:

“Section 1. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

*Subd. 6a. [AGRICULTURE BEST MANAGEMENT PRACTICES LOAN PROGRAM.] Data collected by the commissioner on applicants or borrowers for the agriculture best management practices loan program are governed by section 2.*

**Sec. 2. [17.117] [AGRICULTURE BEST MANAGEMENT PRACTICES LOAN PROGRAM.]**

*Subdivision 1. [PURPOSE.] The purpose of the agriculture best management practices loan program is to provide low or no interest financing to farmers, agriculture supply businesses, and rural landowners for the implementation of agriculture best management practices.*

*Subd. 2. [AUTHORITY.] The commissioner may establish, adopt rules for, and implement a program to work with local units of government, federal authorities, lending institutions, and other appropriate organizations to provide loans to landowners and businesses for facilities, fixtures, equipment, or other sustainable practices that prevent or mitigate sources of nonpoint source water pollution. The commissioner may establish pilot projects to develop procedures for implementing the program. The commissioner shall develop administrative guidelines to implement the pilot projects specifying criteria, standards, and procedures for making loans.*

*Subd. 3. [APPROPRIATIONS.] Funds from the water pollution control revolving fund in section 446A.07 provided by the public facilities authority shall be appropriated to the commissioner for the establishment of this program.*

*Subd. 4. [DEFINITIONS.] For the purposes of this section, the terms defined in this subdivision have the meanings given them.*

*(a) “Applicant” shall mean a county or the designee of the county applying on behalf of a county. Applicant may mean a soil and water conservation district or an organization formed for the joint exercise of power.*

*(b) “Authority” means the Minnesota public facilities authority as established in section 446A.03.*

(c) "Best management practices" has the meaning given in sections 103F.711, subdivision 3, and 103H.151, subdivision 2.

(d) "Chairman" means the chair of the board of water and soil resources or the designee of the chair.

(e) "Borrower" means an individual farmer, an agriculture supply business, or rural landowner applying for a low-interest loan.

(f) "Commissioner" means the commissioner of agriculture or the designee of the commissioner.

(g) "Comprehensive water management plan" means a state approved and locally adopted plan authorized under section 103B.231, 103B.255, 103B.311, 103C.331, 103D.401, or 103D.405.

(h) "County allocation request" means a loan allocation request from an applicant to implement agriculturally related best management practices defined in paragraph (c).

(i) "Lender agreement" means an agreement entered into between the commissioner and a local lender. The agreement will contain terms and conditions of the loan that will include but need not be limited to general loan provisions, loan management requirements, application of payments, loan term limits, allowable expenses, and fee limitations.

(j) "Local government unit" means a county, soil and water conservation district, or an organization formed for the joint exercise of powers under section 471.59.

(k) "Local lender" means a local government unit as defined in paragraph (j), a state or federally chartered bank, a savings and loan association, or Farm Credit Services.

(l) "Nonpoint source" has the meaning given in section 103F.711, subdivision 6.

**Subd. 5. [USES OF FUNDS.]** Use of funds under this section must be in compliance with the federal Water Pollution Control Act, section 446A.07, and eligible activities listed in the intended use plan authorized in section 446A.07, subdivision 4.

**Subd. 6. [APPLICATION.]** (a) The commissioner must prescribe forms and establish an application process for applicants to apply for a county allocation request. The application must include but need not be limited to (1) the geographic area served; (2) the type and estimated cost of activities or projects for which they are seeking a loan allocation; (3) a ranking of proposed activities or projects; and (4) the designation of the local lender and lending practices the applicant intends to use to issue the loans to the borrowers.

(b) In an area of the state where a county allocation request has not been requested or has been rejected, application forms must be available for a borrower to apply directly to the commissioner for a loan under this program.

(c) If a county allocation request is rejected, the applicant must be notified in writing as to the reasons for the rejection and given 30 days to submit a revised application. The revised application shall be reviewed according to the same procedure used to review the initial application.

Subd. 7. [PAYMENTS.] *Payments made from the water pollution control revolving fund must be made in accordance with applicable state and federal laws and rules governing the payments.*

Subd. 8. [APPLICANT; BORROWERS.] (a) *A county may submit a county allocation request as defined in subdivision 4, paragraph (h). A county or a group of counties may designate another local government unit as defined in subdivision 4, paragraph (j), to submit a county allocation request.*

(b) *If a county does not submit a county allocation request, and does not designate another local government unit, a soil and water conservation district may submit a county allocation request. In all instances, there may be only one request from a county. The applicant must coordinate and submit requests on behalf of other units of government within the geographic jurisdiction of the applicant.*

(c) *Borrowers may apply directly to the commissioner if the commissioner does not receive or approve a county allocation request from the county, designated local government unit, or soil and water conservation district in which the proposed activities would be carried out.*

Subd. 9. [REVIEW AND RANKING OF ALLOCATION REQUESTS.] (a) *The commissioner shall chair the subcommittee established in section 103F.761, subdivision 2, paragraph (b), for purposes of reviewing and ranking county allocation requests. The rankings must be in order of priority and shall provide financial assistance within the limits of the funds available. In carrying out the review and ranking, the subcommittee must consist of, at a minimum, the chairman, representatives of the pollution control agency, United States Department of Agricultural Stabilization and Conservation Service, United States Department of Agriculture Soil Conservation Service, Association of Minnesota Counties, and other agencies or associations as the commissioner, the chairman, and agency determine are appropriate. The review and ranking shall take into consideration other related state or federal programs.*

(b) *The subcommittee shall use the criteria listed below in carrying out the review and ranking:*

(1) *whether the proposed activities are identified in a comprehensive water management plan as priorities;*

(2) *the potential that the proposed activities have for improving or protecting surface and groundwater quality;*

(3) *the extent that the proposed activities support areawide or multi-jurisdictional approaches to protecting water quality based on defined watershed;*

(4) *whether the activities are needed for compliance with existing water related laws or rules;*

(5) *whether the proposed activities demonstrate participation, coordination, and cooperation between local units of government and other public agencies;*

(6) *whether there is coordination with other public and private funding sources and programs; and*

(7) whether there are off-site public benefits such as preventing downstream degradation and siltation.

*Subd. 10. [BORROWER ELIGIBILITY; TERMS; REPAYMENT.] (a) Local lenders shall use the following criteria in addition to other criteria they deem necessary in determining the eligibility of borrowers for loans:*

*(1) whether the activity is certified by a local unit of government as meeting priority needs identified in a comprehensive water management plan and is in compliance with accepted standards, specifications, or criteria;*

*(2) whether the activity is certified as eligible under Environmental Protection Agency or other applicable guidelines; and*

*(3) whether the repayment is assured from the borrower.*

*(b) Local lenders shall set the terms and conditions of loans. In all instances, local lenders must provide for sufficient collateral or protection for the loan principal. They are responsible for collecting repayments by borrowers. For direct loans, the borrower must provide sufficient collateral and repay the loan according to a mutually prearranged schedule with the commissioner.*

*(c) A local lender is responsible for repaying the principal of a loan to the commissioner. The terms of repayment will be identified in the lender agreement. If defaults occur, it is the responsibility of the local lender to obtain repayment from the borrower.*

*Subd. 11. [DATA PRIVACY.] The following data on applicants or borrowers collected by the commissioner under this section, are private for data on individuals as provided in section 13.02, subdivision 12, or nonpublic for data not on individuals as provided in section 13.02, subdivision 9: financial information, including, but not limited to, credit reports, financial statements, tax returns and net worth calculations received or prepared by the commissioner.*

*Subd. 12. [ESTABLISHMENT OF ACCOUNT.] The authority shall establish an account called the agriculture best management practices revolving fund to provide loans and other forms of financial assistance authorized under section 446A.07. The fund must be credited with repayments.*

*Subd. 13. [FEES.] Fees charged directly to borrowers by local lenders upon executing a loan shall not exceed one-half of one percent of the loan amount. Servicing fees assessed to loan repayments must not exceed two percent interest on outstanding principal amounts if the local lender is a local government unit, or three percent interest on outstanding principal amounts if the local lender is a state or federally chartered bank, savings and loan association, or an entity of Farm Credit Services.*

*Subd. 14. [REPORT.] (a) The commissioner and chairman shall prepare and submit a report to the legislative water commission by October 15, 1994, and October 15, 1995. Thereafter, the report shall be submitted by October 15 of each odd-numbered year.*

*(b) The report shall include, but need not be limited to, matters such as loan allocations and uses, the extent to which the financial assistance is helping implement local water planning priorities, the integration or coordination that has occurred with related programs, and other matters deemed pertinent to the implementation of the program.*

Sec. 3. Minnesota Statutes 1992, section 103F.725, is amended by adding a subdivision to read:

*Subd. 1a. [FINANCIAL ASSISTANCE; LOANS.] (a) Funds from the water pollution control revolving fund in section 446A.07 provided by the public facilities authority shall be appropriated to the commissioner for the establishment of a clean water partnership loan program.*

*(b) The agency may award loans for up to 100 percent of the costs associated with activities identified by the agency as best management practices pursuant to section 319 and section 320 of the federal Water Quality Act of 1987, as amended, including associated administrative costs.*

*(c) Loans may be used to finance clean water partnership grant project eligible costs not funded by grant assistance.*

*(d) The interest rate, at or below market rate, and the term, not to exceed 20 years, shall be determined by the agency in consultation with the public facilities authority.*

*(e) The repayment must be deposited in the water pollution control revolving fund under section 446A.07.*

*(f) The local unit of government receiving the loan is responsible for repayment of the loan.*

Sec. 4. Minnesota Statutes 1992, section 103F.761, subdivision 2, is amended to read:

*Subd. 2. [DUTIES.] (a) The project coordination team shall advise the agency in preparation of rules, evaluate projects, and recommend to the commissioner those projects that the team believes should receive financial or technical assistance or both from the agency. After approval of assistance for a project by the agency, the team shall review project activities and assist in the coordination of the state program with other state and federal resource management programs.*

*(b) For state agencies or departments receiving funding under section 446A.07, subdivision 6, the project coordination team shall provide guidance for the allocation of water pollution control fund nonpoint source pollution funding with consideration to statewide environmental priorities including priorities for types of projects and geographic or watershed priorities. A subcommittee of the project coordination team will be formed for each of the separate funding areas under section 446A.07, subdivision 6, and shall be chaired by the appropriate lead state agency or department. Each subcommittee shall evaluate and rank projects within its area with consideration given to the guidance provided by the project coordination team."*

Page 3, line 33, delete "6" and insert "7"

Pages 4 to 7, delete section 7

Page 9, lines 7 and 23, delete "7" and insert "3"

Renumber the sections in sequence

Page 16, line 18, delete "23" and insert "24"

Amend the title as follows:

Page 1, line 13, after the semicolon, insert "103F.725, by adding a subdivision; 103F.761, subdivision 2;"

Page 1, line 21, delete "116;"

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

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

S.F. No. 2168: A bill for an act relating to agricultural businesses; providing an interest buy-down program for farmers and small businesses; creating a program of farm disaster property tax relief payments; providing supplemental funding for certain emergency employment programs; creating a crop disaster insurance program; increasing funding for the farm advocates program, agricultural resource centers, farm and small business management programs at technical colleges, and the Farmers' Legal Action Group; expanding research on grain diseases and genetics; appropriating money.

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 1993 Supplement, section 41B.044, subdivision 2, is amended to read:

Subd. 2. [ETHANOL DEVELOPMENT FUND.] There is established in the state treasury an ethanol development fund. *All repayments of financial assistance granted under subdivision 1, including principal and interest, must be deposited into this fund.* Interest earned on money in the fund accrues to the fund, and money in the fund is appropriated to the commissioner of agriculture for purposes of the ethanol production facility loan program, including costs incurred by the authority to establish and administer the program.

Sec. 2. Minnesota Statutes 1992, section 297A.02, subdivision 2, is amended to read:

Subd. 2. [MACHINERY AND EQUIPMENT.] Notwithstanding the provisions of subdivision 1, the rate of the excise tax imposed upon sales of special tooling is four percent and upon sales of *new* farm machinery and *sales of* aquaculture production equipment is two percent.

Sec. 3. Minnesota Statutes 1992, section 297A.25, is amended by adding a subdivision to read:

Subd. 53. [FARM MACHINERY.] *The gross receipts from the sale of used farm machinery are exempt.*

Sec. 4. Laws 1993, chapter 172, section 7, subdivision 3, is amended to read:

Subd. 3. Promotion and Marketing

2,142,000	1,142,000	
	Summary by Fund	
General	1,959,000	959,000
Special Revenue	183,000	183,000

Notwithstanding Minnesota Statutes, section 41A.09, subdivision 3, the total payments from the ethanol development account to all producers may not exceed \$15,800,000 for the biennium ending June 30, 1995. In fiscal year 1994, the commissioner shall first reimburse producers up to \$981,024 for eligible, unpaid claims accumulated through June 30, 1993.

\$1,000,000 is appropriated to the ethanol development fund established in Minnesota Statutes, section 41B.044, subdivision 2, in 1994 for use by the rural finance authority for purposes of assisting in the finance of ethanol production facilities in Minnesota. Any amount of this appropriation that remains unencumbered at the end of any biennium does not revert to the general fund but remains available as a revolving account.

\$100,000 the first year and \$100,000 the second year are for ethanol promotion and public education.

\$100,000 the first year and \$100,000 the second year must be spent for the WIC coupon program.

\$45,000 is appropriated in each year for a project to expand agriculture opportunities for the Hmong and other Southeast Asian farmers by expansion of the existing market base and to target new wholesale and retail markets. The money may also be used to expand the wholesale and retail market for other groups involved in direct marketing efforts such as alternative meat and food products. The department must report on the project to the finance committees by January 15, 1995.

\$71,000 the first year and \$71,000 the second year are for transfer to the Minnesota grown matching account and may be used as grants for Minnesota grown promotion under Minnesota Statutes, section 17.109.

\$183,000 the first year and \$183,000 the second year are from the commodities research and promotion account in the special revenue fund.

**Sec. 5. [FEDERAL EMERGENCY MANAGEMENT ASSISTANCE MATCH.]**

*\$3,908,000 is appropriated from the general fund to the commissioner of agriculture to provide matching funds for federal emergency management assistance funds received in flood damaged counties in 1993.*

**Sec. 6. [APPROPRIATION; EMERGENCY JOB CREATION; DEPARTMENT OF JOBS AND TRAINING.]**

*\$1,000,000 is appropriated from the general fund to the commissioner of jobs and training to supplement the federal emergency job creation program. This appropriation is available when federal funding for the emergency job creation program in Minnesota is exhausted. This appropriation is available until June 30, 1995.*

**Sec. 7. [APPROPRIATION; WHEAT SCAB RESEARCH.]**

*\$592,000 is appropriated from the general fund to the University of Minnesota for the fiscal biennium ending June 30, 1995, for research into the problem of wheat scab (vomitoxin) in Minnesota. The research should be designed to minimize the adverse effects of future wheat scab infestations in the short term while seeking to fully eliminate the problem in the long term.*

**Sec. 8. [APPROPRIATION; FARM ADVOCATES.]**

*\$100,000 is appropriated from the general fund to the commissioner of agriculture to supplement other sources of funding for the farm advocates program. This appropriation is available until June 30, 1995.*

**Sec. 9. [APPROPRIATION; AGRICULTURAL RESOURCE CENTERS.]**

*(a) \$100,000 is appropriated from the general fund to the commissioner of agriculture for supplemental funding for grants to agricultural information centers. No match is needed for the release of these supplemental state dollars. This appropriation is available until June 30, 1995.*

*(b) For money appropriated in Laws 1993, chapter 172, section 7, subdivision 4, for agricultural information centers, a match is not required for fiscal year 1994 appropriations and a match of four state dollars for each \$1 of matching nonstate money is required for fiscal year 1995 appropriations.*

**Sec. 10. [APPROPRIATION; LEGAL ASSISTANCE TO FARMERS.]**

*\$200,000 is appropriated from the general fund to the supreme court as supplemental funding for legal assistance to farmers. This appropriation is available until June 30, 1995. This appropriation shall be in addition to other appropriations received for legal assistance. An entity receiving funding under this section may not have other sources of state funding reduced based on the funding received.*

**Sec. 11. [APPROPRIATION; FARM FINANCIAL ADVISORY AND TRAINING PROGRAM.]**

*\$600,000 is appropriated from the general fund to the commissioner of agriculture for use by the state board of technical colleges and county extension services for the farm and small business management programs using the FINPAK computer software program and other training which provide the information and assistance to farmers affected by the weather conditions in 1993. The funds may be used for equipment and software*

*upgrades, training and assistance in using the software program, and other related training and program costs.*

Sec. 12. [SMALL BUSINESS DISASTER REVOLVING LOAN FUND.]

*\$1,200,000 is appropriated from the general fund to the commissioner of trade and economic development to supplement funding of programs through the federal Economic Development Administration. Use of these funds may include providing local matches to federal dollars through the regional development commissions or alternative groups.*

Sec. 13. [ETHANOL PRODUCTION.]

*\$2,000,000 is appropriated from the general fund as supplemental funding to the ethanol development fund. This money shall be for use by the rural finance authority to assist in finance of new ethanol production facilities. Any amount of this appropriation that remains unencumbered at the end of any biennium does not revert to the general fund but remains available as a revolving account.*

Sec. 14. [AGRICULTURAL UTILIZATION RESEARCH INSTITUTE.]

*\$1,441,000 is appropriated from the general fund to the agricultural utilization research institute for programs targeted to crops and/or regions that suffered great losses in 1993.*

Sec. 15. [DAIRY LITIGATION.]

*\$59,000 is appropriated from the general fund to the supreme court for legal challenges to discriminatory aspects of the current federal milk market order systems. This appropriation shall be in addition to other appropriations received for legal assistance. An entity receiving funding under this section may not have other sources of state funding reduced based on the funding received.*

Sec. 16. [EFFECTIVE DATE.]

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

Delete the title and insert:

*"A bill for an act relating to agricultural businesses; exempting from sales tax the gross receipts of used farm machinery sales; providing matching moneys for federal emergency disaster funds to flood damaged counties; providing supplemental funding for certain emergency employment programs, financial assistance programs under the ethanol production fund, and small business disaster loan programs; expanding research on grain diseases; increasing funding for the farm advocates program, agricultural resource centers, legal challenges to the federal milk market order system, farm and small business management programs at technical colleges, and the Farmers' Legal Action Group; providing funding to the Agricultural Utilization Research Institute; appropriating money; amending Minnesota Statutes 1992, sections 297A.02, subdivision 2; and 297A.25, by adding a subdivision; Minnesota Statutes 1993 Supplement, section 41B.044, subdivision 2; and Laws 1993, chapter 172, section 7, subdivision 3."*

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

Mr. Mondale, for Mrs. Adkins, from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 2106: A bill for an act relating to the city of Minneapolis; providing that a levy for a contribution to the Minneapolis teachers retirement fund association is a special taxing district levy for property tax purposes; amending Minnesota Statutes 1993 Supplement, section 354A.12, subdivision 3b.

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

Mr. Mondale, for Mrs. Adkins, from the Committee on Metropolitan and Local Government, to which was referred

H.F. No. 1890: A bill for an act relating to Lake of the Woods county; allowing the county to forgive the amount owing on a contract for deed.

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

Mr. Vickerman from the Committee on Veterans and General Legislation, to which was referred

S.F. No. 2350: A bill for an act relating to the military; extending the date for the closure of national guard armories; amending Laws 1992, chapter 511, article 2, sections 49 and 50.

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

Mr. Vickerman from the Committee on Veterans and General Legislation, to which was referred

S.F. No. 2223: A bill for an act relating to capital improvements; providing grants for the Minnesota Children's Museum; appropriating money; authorizing the issuance of state bonds.

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

Mr. Vickerman from the Committee on Veterans and General Legislation, to which was referred

S.F. No. 2292: A bill for an act relating to military affairs; expediting payment to forces ordered to active duty; amending Minnesota Statutes 1992, section 192.52.

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

Mr. Vickerman from the Committee on Veterans and General Legislation, to which was referred

S.F. No. 2181: A bill for an act relating to military affairs; appropriating money for the Minnesota National Guard youth camp.

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

Mr. Vickerman from the Committee on Veterans and General Legislation, to which was referred

S.F. No. 2009: A bill for an act relating to public safety; increasing membership of emergency response commission by one representative of emergency managers; amending Minnesota Statutes 1992, section 299K.03, subdivision 3.

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

Mr. Merriam from the Committee on Finance, to which was re-referred

S.F. No. 1845: A bill for an act relating to crime prevention; juvenile justice; providing for presumptive certification to adult court for juveniles alleged to have committed prison-level felonies; authorizing the court or the prosecutor to designate a juvenile a serious youthful offender; authorizing adult felony sentences for serious youthful offenders; extending juvenile court jurisdiction to age 21 for serious youthful offenders; limiting certification to adult court to felony offenses; extending a right to jury trial to serious youthful offenders; requiring that a juvenile have an in-person consultation with counsel before waiving right to counsel; requiring appointment of counsel or standby counsel for juveniles charged with gross misdemeanors or felonies or when out-of-home placement is proposed; establishing a task force on juvenile justice programming evaluation and planning; requiring that the department of corrections provide programming for serious and repeat juvenile offenders; appropriating money; amending Minnesota Statutes 1992, sections 126.78, by adding a subdivision; 242.31; 242.32; 257.3571, subdivision 3, and by adding a subdivision; 257.3572; 257.3579; 260.115, subdivision 1; 260.125; 260.131, by adding a subdivision; 260.145; 260.152; 260.155, subdivision 2, and by adding a subdivision; 260.161, subdivisions 1a and 2; 260.181, subdivision 4; 260.185, subdivision 3, and by adding subdivisions; 260.211, subdivision 1; 260.215, subdivision 1; 260.291; 609.055, subdivision 2; 609.49, subdivision 3, and by adding a subdivision; 611.15; 611.19; 611.25, subdivision 1; 611A.02, by adding a subdivision; and 611A.77, subdivision 1; Minnesota Statutes 1993 Supplement, sections 260.155, subdivision 1; 260.161, subdivision 1; 299A.35, subdivision 1; 299C.65, subdivision 1; 401.065, subdivisions 1, 2, and 4; and 624.713, subdivisions 1 and 3; proposing coding for new law in Minnesota Statutes, chapters 126; and 260; repealing Minnesota Statutes 1992, section 260.125, subdivision 3.

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

Page 29, delete section 23 and insert:

"Sec. 23. Minnesota Statutes 1992, section 260.185, is amended by adding a subdivision to read:

*Subd. 6. [OUT-OF-STATE PLACEMENTS.] (a) A court may not place a preadjudicated delinquent, an adjudicated delinquent, or a convicted serious youthful offender in a residential or detention facility outside Minnesota unless the commissioner of corrections has certified that the facility:*

(1) meets or exceeds the standards for Minnesota residential treatment programs set forth in rules adopted by the commissioner of human services and the standards for juvenile residential facilities set forth in rules adopted by the commissioner of corrections or the standards for juvenile detention facilities set forth in rules adopted by the commissioner of corrections; and

(2) provides education, health, dental, and other necessary care equivalent to that which the child would receive if placed in a Minnesota facility licensed by the commissioner of corrections or commissioner of human services.

(b) The interagency licensing agreement between the commissioners of corrections and human services shall be used to determine which rule shall be used for certification purposes under this subdivision."

Page 48, after line 16, insert:

"Sec. 49. [OUT-OF-STATE PLACEMENT; TRANSITION.]

An out-of-state facility subject to certification under section 23 that has preadjudicated delinquents, adjudicated delinquents, or convicted serious youthful offenders in residence on July 1, 1994, shall be considered certified for purposes of that section until July 1, 1995, or until the facility is evaluated and certification is granted or denied, whichever is earlier."

Page 48, line 24, delete "\$13,135,000" and insert "\$13,255,000"

Page 48, line 40, after "for" insert "rulemaking and"

Page 51, after line 22, insert:

"Subd. 9. [LEGISLATIVE AUDITOR.]

Total General Fund Appropriation

\$ 120,000

This appropriation is available only to the extent that the legislative audit commission directs the legislative auditor to conduct the studies requested by section 46."

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 re-referred

S.F. No. 1903: A bill for an act relating to agricultural economy; increasing extent of authorized state participation in rural finance authority loan restructuring program; repealing authorization for the commissioner of finance to issue obligations to assist agricultural-industrial facilities in Detroit Lakes; amending Minnesota Statutes 1992, section 41B.04, subdivision 8; repealing Laws 1992, chapter 543.

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

Ms. Reichgott Junge from the Committee on Judiciary, to which was referred

S.F. No. 2040: A bill for an act relating to family law; clarifying pension plan obligations; amending Minnesota Statutes 1992, section 518.581, subdivision 2.

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

Ms. Reichgott Junge from the Committee on Judiciary, to which was referred

S.F. No. 1895: A bill for an act relating to family law; adding a relevant factor in determination of a child's best interests; amending Minnesota Statutes 1992, section 518.17, subdivision 1.

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

Page 2, lines 16 and 17, delete "*and the capacity and disposition of each parent*" and insert "*in order to encourage each parent's ability*"

Page 2, line 18, delete from ". In" through page 2, line 20, to "parent"

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

Ms. Reichgott Junge from the Committee on Judiciary, to which was re-referred

S.F. No. 1828: A bill for an act relating to human services; modifying provisions relating to paternity determination and the administration and enforcement of child support; providing penalties; amending Minnesota Statutes 1992, sections 62A.046; 62A.048; 62A.27; 256.74, by adding a subdivision; 257.62, subdivisions 1, 5, and 6; 257.64, subdivision 3; 257.69, subdivisions 1 and 2; 518.171, subdivision 5; and 518.613, subdivision 7; Minnesota Statutes 1993 Supplement, sections 62A.045; 257.55, subdivision 1; 257.57, subdivision 2; 518.171, subdivisions 1, 3, 4, 7, and 8; 518.611, subdivisions 2 and 4; 518.613, subdivision 2; and 518.615, subdivision 3; repealing Minnesota Statutes 1992, sections 62C.141; 62C.143; 62D.106; and 62E.04 subdivisions 9 and 10.

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

Page 8, line 29, delete "*shall*" and insert "*must*"

Page 8, line 31, delete "*within*" and insert "*no later than*"

Page 10, line 21, delete "*within*" and insert "*no later than*"

Page 10, line 22, delete "*such*" and insert "*the*"

Page 13, line 34, delete "*insurer*" and insert "*health or dental insurance plan*"

Page 14, line 19, delete "*shall*" and insert "*may*"

Page 14, line 34, delete "*shall*" and insert "*must*"

Page 15, line 29, delete "*insurer*" and insert "*or dental insurance plan*"

Page 15, line 30, delete "*such a*" and insert "*the*" and delete "*insurer*" and insert "*health or dental insurance plan*"

Page 15, line 33, delete "*insurer which*" and insert "*health or dental insurance plan that*"

Page 16, lines 7, 17, and 35, strike "*insurer*" and insert "*health or dental insurance plan*"

Page 16, line 8, delete "*insurer*" and insert "*health or dental insurance plan*"

Page 17, line 4, strike "*insurer*" and insert "*health or dental insurance plan*"

Page 17, line 9, delete "*shall be*" and insert "*is*"

Page 17, line 19, delete "*basis*" and insert "*or consistent basis or that the obligor has threatened expressly or otherwise to stop or reduce payments*"

Page 20, line 33; delete "*shall*" and insert "*must*"

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

Ms. Berglin from the Committee on Health Care, to which was referred

S.F. No. 1930: A bill for an act relating to human services; mental health grants; rules concerning psychopathic personalities; treatment for alcohol, drug abuse, and chemical dependency; stepparent income standards under aid to families with dependent children; inpatient hospital payments; child support incentives; medical assistance for needy persons; state and county social service plans; organ and tissue transplants; family preservation; commissioner's reports; group residential housing payments and agreements; and paternity proceedings; amending Minnesota Statutes 1992, sections 245.696, subdivision 2; 254A.02, subdivision 11; 254B.04, subdivision 1; 254B.05, subdivision 1; 256.74, subdivision 1a; 256.969, subdivisions 10 and 16; 256B.69, subdivision 4; 256E.04; 256E.09, subdivision 3; 256H.24; and 257.60; Minnesota Statutes 1993 Supplement, sections 246B.04; 256.9685, subdivision 1; 256.979, subdivision 8; 256B.0629, subdivisions 3 and 4; 256F.11, subdivision 3; and 256L.04, subdivisions 1a and 2a; repealing Minnesota Statutes 1992, section 254A.16, subdivisions 3 and 4; Laws 1993, chapter 337, 16.

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

Pages 6 and 7, delete sections 7 to 9

Page 14, line 27, delete "*21*" and insert "*18*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, delete "*inpatient hospital payments;*"

Page 1, line 15, delete everything after the first semicolon

Page 1, line 18, delete everything after the first semicolon

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

Ms. Berglin from the Committee on Health Care, to which was referred

S.F. No. 1849: A bill for an act relating to occupations and professions; providing that health-related licensing boards may establish a program to protect the public from impaired regulated persons; providing for appointments; providing for rulemaking; appropriating money; amending Minnesota Statutes 1993 Supplement, section 214.06, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 214.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1993 Supplement, section 214.06, subdivision 1, is amended to read:

Subdivision 1. [FEE ADJUSTMENT.] Notwithstanding any law to the contrary, the commissioner of health as authorized by section 214.13, all health-related licensing boards and all non-health-related licensing boards shall by rule, with the approval of the commissioner of finance, adjust, *as needed*, any fee which the commissioner of health or the board is empowered to assess ~~a~~. *As provided in section 16A.1285, the adjustment shall be an amount sufficient amount* so that the total fees collected by each board will as closely as possible equal anticipated expenditures during the fiscal biennium, *as provided in section 16A.128 including expenditures for the programs authorized by sections 214.17 to 214.25 and 2 to 8.* For members of an occupation registered after July 1, 1984, by the commissioner of health under the provisions of section 214.13, the fee established must include an amount necessary to recover, over a five-year period, the commissioner's direct expenditures for adoption of the rules providing for registration of members of the occupation. All fees received shall be deposited in the state treasury. Fees received by the commissioner of health or health-related licensing boards must be credited to the health occupations licensing account in the state government special revenue fund.

## HEALTH PROFESSIONALS SERVICES PROGRAM

### Sec. 2. [214.31] [AUTHORITY.]

*Two or more of the health-related licensing boards listed in section 214.01, subdivision 2, may jointly conduct a health professionals services program to protect the public from persons regulated by the boards who are unable to practice with reasonable skill and safety by reason of illness, use of alcohol, drugs, chemicals, or any other materials, or as a result of any mental, physical, or psychological condition. The program does not affect a board's authority to discipline violations of a board's practice act.*

Sec. 3. [214.32] [PROGRAM MANAGEMENT, SERVICES, PARTICIPANT COSTS, ELIGIBILITY, COMPLETIONS, VOLUNTARY TERMINATION AND DISCHARGE.]

*Subdivision 1. [MANAGEMENT.] (a) A health professionals services program committee is established, consisting of one person appointed by each*

participating board, with each participating board having one vote. The committee shall designate one board to provide administrative management of the program, set the program budget and the pro rata share of program expenses to be borne by each participating board, provide guidance on the general operation of the program, including hiring of program personnel, and ensure that the program's direction is in accord with its authority.

(b) The designated board, upon recommendation of the health professionals services program committee, shall hire the program manager and employees and pay expenses of the program from funds appropriated for that purpose. The designated board may apply for grants to pay program expenses and may enter into contracts on behalf of the program to carry out the purposes of the program. The participating boards shall enter into written agreements with the designated board.

(c) An advisory committee is established to advise the program committee consisting of:

(1) one member appointed by each of the following: the Minnesota Academy of Physician Assistants, the Minnesota Dental Association, the Minnesota Chiropractic Association, the Minnesota Licensed Practical Nurse Association, the Minnesota Medical Association, the Minnesota Nurses Association, and the Minnesota Podiatric Medicine Association;

(2) one member appointed by each of the professional associations of the other professions regulated by a participating board not specified in clause (1); and

(3) two public members, as defined by section 214.02.

Members of the advisory committee shall be appointed for two years and members may be reappointed.

Subd. 2. [SERVICES.] (a) The program shall provide the following services to program participants:

(1) referral of eligible regulated persons to qualified professionals for evaluation, treatment, and a written plan for continuing care consistent with the regulated person's illness. The referral shall take into consideration the regulated person's financial resources as well as specific needs;

(2) development of individualized program participation agreements between participants and the program to meet the needs of participants and protect the public. An agreement may include, but need not be limited to, recommendations from the continuing care plan, practice monitoring, health monitoring, practice restrictions, random drug screening, support group participation, filing of reports necessary to document compliance, and terms for successful completion of the regulated person's program; and

(3) monitoring of compliance by participants with individualized program participation agreements or board orders.

(b) The program may develop services related to sections 2 to 8 for employers and colleagues of regulated persons from participating boards.

Subd. 3. [PARTICIPANT COSTS.] Each program participant shall be responsible for paying for the costs of physical, psychosocial, or other related evaluation, treatment, laboratory monitoring, and random drug screens.

Subd. 4. [ELIGIBILITY.] Admission to the health professionals services program is available to a person regulated by a participating board who is unable to practice with reasonable skill and safety by reason of illness, use of alcohol, drugs, chemicals, or any other materials, or as a result of any mental, physical, or psychological condition. Admission in the health professionals services program shall be denied to persons:

(1) who have diverted controlled substances for other than self-administration;

(2) who have been terminated from this or any other state professional services program for noncompliance in the program;

(3) currently under a board disciplinary order or corrective action agreement, unless referred by a board;

(4) regulated under sections 214.17 to 214.25, unless referred by a board or by the commissioner of health;

(5) accused of sexual misconduct; or

(6) whose continued practice would create a serious risk of harm to the public.

Subd. 5. [COMPLETION; VOLUNTARY TERMINATION; DISCHARGE.] A regulated person completes the program when the terms of the program participation agreement are fulfilled. A regulated person may voluntarily terminate participation in the health professionals service program at any time by reporting to the person's board. The program manager may choose to discharge a regulated person from the program and make a referral to the person's board at any time for reasons including but not limited to: the degree of cooperation and compliance by the regulated person, the inability to secure information or the medical records of the regulated person, or indication of other possible violations of the regulated person's practice act. The regulated person shall be notified in writing by the program manager of any change in the person's program status. A regulated person who has been terminated or discharged from the program may be referred back to the program for monitoring.

#### Sec. 4. [214.33] [REPORTING.]

Subdivision 1. [PERMISSION TO REPORT.] A person who has personal knowledge that a regulated person has the inability to practice with reasonable skill and safety by reason of illness, use of alcohol, drugs, chemicals, or any other materials, or as a result of any mental, physical, or psychological condition may report that knowledge to the program or to the board. A report to the program under this subdivision fulfills the reporting requirement contained in a regulated person's practice act.

Subd. 2. [SELF-REPORTING.] A person regulated by a participating board who is unable to practice with reasonable skill and safety by reason of illness, use of alcohol, drugs, chemicals, or any other materials, or as a result of any mental, physical, or psychological condition shall report to the person's board or the program.

Subd. 3. [PROGRAM MANAGER.] The program manager shall report to the appropriate participating board a regulated person who does not meet program admission criteria, violates the terms of the program participation agreement, or leaves the program except upon fulfilling the terms for

successful completion of the program as set forth in the participation agreement. The program manager shall report to the appropriate participating board a regulated person who is alleged to have committed violations of the person's practice act that are outside the authority of the health professionals services program as described in sections 2 to 8. The program manager shall inform any reporting person of the disposition of the person's report to the program.

Subd. 4. [BOARD.] A board may refer any regulated person to the program consistent with section 3, subdivision 4, if the board believes the regulated person will benefit and the public will be protected.

Sec. 5. [214.34] [IMMUNITY.]

Subdivision 1. [REPORTING IMMUNITY.] Any individual, agency, institution, facility, business, or organization is immune from civil liability or criminal prosecution for submitting a report in good faith to the program under this section or for cooperating with an investigation of a report or with staff of the program. Reports are confidential and are privileged communication.

Subd. 2. [PROGRAM IMMUNITY.] Members of the participating boards and persons employed by the boards and program, program consultants, and members of advisory bodies for the program are immune from civil liability and criminal prosecution for any actions, transactions, or reports in the execution of, or relating to, their duties under sections 2 to 7.

Sec. 6. [214.35] [CLASSIFICATION OF DATA.]

All data collected and maintained and any agreements with regulated persons entered into as part of the program is classified as active investigative data under section 13.41 while the individual is in the program, except for monitoring data which is classified as private. When a regulated person successfully completes the program, the data and participation agreement become inactive investigative data which shall be classified as private data under section 13.02, subdivision 12, or nonpublic data under section 13.02, subdivision 9, in the case of data not on individuals. Data and agreements shall not be forwarded to the board unless the program reports a participant to a board as described in section 4, subdivision 3.

Sec. 7. [214.36] [BOARD PARTICIPATION.]

Participating boards may, by mutual agreement, implement the program upon enactment. Thereafter, health-related licensing boards desiring to enter into or discontinue an agreement to participate in the health professionals services program shall provide a written resolution indicating the board's intent to the designated board by January 1 preceding the start of a biennium.

Sec. 8. [214.37] [RULEMAKING.]

By July 1, 1996, the participating boards shall adopt joint rules relating to the provisions of sections 2 to 7 in consultation with the advisory committee and other appropriate individuals. The required rule writing does not prevent the implementation of sections 2 to 9 upon enactment.

Sec. 9. [APPROPRIATION.]

\$198,000 is appropriated from the special revenue fund to the board of medical practice for the purposes of sections 2 to 8. The pro rata share of

*program expenses to be borne by each participating board shall be determined by the participating boards through an interagency agreement and funds equal to the appropriation shall be deposited into the special revenue fund.*

Sec. 10. [EFFECTIVE DATE.]

*Sections 1 to 9 are effective the day after final enactment."*

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

Ms. Berglin from the Committee on Health Care, to which was referred

S.F. No. 1931: A bill for an act relating to health; making changes of a technical and housekeeping nature; modifying provisions relating to lead abatement enforcement; amending Minnesota Statutes 1992, sections 126A.02, subdivision 2; 144.414, subdivision 3; and 144.878, by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 144.872, subdivision 4; 144.873, subdivision 1; 144.874, subdivisions 1 and 3a; 144.8771, subdivision 2; 144.878, subdivision 5; 144.99, subdivisions 1 and 6; and 157.08; proposing coding for new law in Minnesota Statutes, chapter 144; repealing Minnesota Statutes 1993 Supplement, sections 144.8771, subdivision 5; 144.8781, subdivisions 1, 2, 3, and 5; 157.082; and 157.09; Laws 1993, chapter 286, section 11; Laws 1993, First Special Session chapter 1, article 9, section 49.

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

Page 2, after line 5, insert:

"Sec. 2. Minnesota Statutes 1992, section 144.0723, subdivision 1, is amended to read:

Subdivision 1. [CLIENT REIMBURSEMENT CLASSIFICATIONS.] The commissioner of health shall establish ~~reimbursement~~ classifications based upon the assessment of each client in intermediate care facilities for the mentally retarded conducted after December 31, 1988, under section 256B.501, subdivision 3g, or under rules established by the commissioner of human services under section 256B.501, subdivision 3j. The reimbursement classifications established by the commissioner must conform to the rules established by the commissioner of human services to set payment rates for intermediate care facilities for the mentally retarded beginning on or after October 1, 1990 1995.

Sec. 3. Minnesota Statutes 1992, section 144.0723, subdivision 2, is amended to read:

Subd. 2. [NOTICE OF CLIENT REIMBURSEMENT CLASSIFICATION.] The commissioner of health shall notify each client and intermediate care facility for the mentally retarded in which the client resides of the ~~reimbursement classification~~ classifications established under subdivision 1 for each client residing in the facility. The notice must inform the client intermediate care facility for the mentally retarded of the classification classifications that ~~was~~ are assigned, the opportunity to review the documentation supporting the classification, the opportunity to obtain clarification

from the commissioner, and the opportunity to request a reconsideration of the classification *any classifications assigned*. The notice of classification must be sent by first-class mail. ~~The individual client notices may be sent to the client's intermediate care facility for the mentally retarded for distribution to the client. The facility must distribute the notice to the client's case manager and to the client or to the client's representative.~~ This notice must be distributed within three working days after the facility receives the notices from the department. For the purposes of this section, "representative" includes the client's legal representative as defined in Minnesota Rules, part 9525.0015, subpart 18, the person authorized to pay the client's facility expenses, or any other individual designated by the client.

Sec. 4. Minnesota Statutes 1992, section 144.0723, subdivision 3, is amended to read:

Subd. 3. [REQUEST FOR RECONSIDERATION.] The client, ~~client's representative, or the~~ intermediate care facility for the mentally retarded may request that the commissioner reconsider the assigned classification. The request for reconsideration must be submitted in writing to the commissioner within 30 days after the receipt of the notice of client classification. The request for reconsideration must include the name of the client, the name and address of the facility in which the client resides, the reasons for the reconsideration, the requested classification changes, and documentation supporting the requested classification. The documentation accompanying the reconsideration request is limited to documentation establishing that the needs of the client *and services provided to the client* at the time of the assessment resulting in the disputed classification justify a change of classification.

Sec. 5. Minnesota Statutes 1992, section 144.0723, subdivision 4, is amended to read:

Subd. 4. [ACCESS TO INFORMATION.] *Annually, at the interdisciplinary team meeting, the intermediate care facility for the mentally retarded shall inform the client or the client's representative and case manager of the client's most recent classification as determined by the department of health.* Upon written request, the intermediate care facility for the mentally retarded must give the client's case manager, the client, or the client's representative a copy of the assessment form and the other documentation that was given to the department to support the assessment findings. *The facility shall also provide access to and a copy of other information from the client's record that has been requested by or on behalf of the client to support a client's reconsideration request.* A copy of any requested material must be provided within three working days after the facility receives a written request for the information. If the facility fails to provide the material within this time, it is subject to the issuance of a correction order and penalty assessment. Notwithstanding this section, any order issued by the commissioner under this subdivision must require that the facility immediately comply with the request for information and that as of the date the order is issued, the facility shall forfeit to the state a \$100 fine the first day of noncompliance, and an increase in the \$100 fine by \$50 increments for each day the noncompliance continues.

Sec. 6. Minnesota Statutes 1992, section 144.0723, subdivision 6, is amended to read:

Subd. 6. [RECONSIDERATION.] The commissioner's reconsideration must be made by individuals not involved in reviewing the assessment that established the disputed classification. The reconsideration must be based

upon the initial assessment and upon the information provided to the commissioner under ~~subdivisions~~ *subdivision 3 and 5*. If necessary for evaluating the reconsideration request, the commissioner may conduct on-site reviews. At the commissioner's discretion, the commissioner may review the ~~reimbursement~~ classifications assigned to all clients in the facility. Within 15 working days after receiving the request for reconsideration, the commissioner shall affirm or modify the original client classification. The original classification must be modified if the commissioner determines that the assessment resulting in the classification did not accurately reflect the status of the client at the time of the assessment. The ~~client and the~~ intermediate care facility for the mentally retarded shall be notified within five working days after the decision is made. The commissioner's decision under this subdivision is the final administrative decision of the agency."

Page 2, line 13, delete "*plans*" and insert "*plan review*".

Page 2, after line 31, insert:

"Sec. 9. Minnesota Statutes 1992, section 144.417, subdivision 1, is amended to read:

Subdivision 1. [RULES.] The state commissioner of health shall adopt rules necessary and reasonable to implement the provisions of sections 144.411 to 144.417, except as provided for in section 144.414.

The state commissioner of health may, upon request, waive the provisions of sections 144.411 to 144.417 if the commissioner determines there are compelling reasons to do so and a waiver will not significantly affect the health and comfort of nonsmokers.

Sec. 10. Minnesota Statutes 1993 Supplement, section 144.651, subdivision 21, is amended to read:

Subd. 21. [COMMUNICATION PRIVACY.] Patients and residents may associate and communicate privately with persons of their choice and enter and, except as provided by the Minnesota Commitment Act, leave the facility as they choose. Patients and residents shall have access, at their expense, to writing instruments, stationery, and postage. Personal mail shall be sent without interference and received unopened unless medically or programmatically contraindicated and documented by the physician in the medical record. There shall be access to a telephone where patients and residents can make and receive calls as well as speak privately. Facilities which are unable to provide a private area shall make reasonable arrangements to accommodate the privacy of patients' or residents' calls. Upon admission to a facility, a ~~patient or resident, or the patient's or resident's legal guardian or conservator, shall be given the opportunity to authorize disclosure of the patient's or resident's presence in the facility, to callers or visitors who may seek to communicate with the patient or resident. This disclosure option must be made available in all cases where federal law prohibits unauthorized disclosure of patient or resident identifying information to callers and visitors, the patient or resident, or the legal guardian or conservator of the patient or resident, shall be given the opportunity to authorize disclosure of the patient's or resident's presence in the facility to callers and visitors who may seek to communicate with the patient or resident.~~ To the extent possible, the legal guardian or conservator of a patient or resident shall consider the opinions of the patient or resident regarding the disclosure of the patient's or resident's presence in the facility. This right is limited where medically inadvisable, as documented

by the attending physician in a patient's or resident's care record. Where programmatically limited by a facility abuse prevention plan pursuant to section 626.557, subdivision 14, clause 2, this right shall also be limited accordingly.

Sec. 11. Minnesota Statutes 1993 Supplement, section 144.651, subdivision 26, is amended to read:

Subd. 26. [RIGHT TO ASSOCIATE.] Residents may meet with visitors and participate in activities of commercial, religious, political, as defined in section 203B.11 and community groups without interference at their discretion if the activities do not infringe on the right to privacy of other residents or are not programmatically contraindicated. This includes the right to join with other individuals within and outside the facility to work for improvements in long-term care. Upon admission to a facility, ~~a patient or resident, or the patient's or resident's legal guardian or conservator, shall be given the opportunity to authorize disclosure of the patient's or resident's presence in the facility, to callers or visitors who may seek to communicate with the patient or resident. This disclosure option must be made available in all cases~~ where federal law prohibits unauthorized disclosure of patient or resident identifying information to callers and visitors, ~~the patient or resident, or the legal guardian or conservator of the patient or resident, shall be given the opportunity to authorize disclosure of the patient's or resident's presence in the facility to callers and visitors who may seek to communicate with the patient or resident.~~ To the extent possible, the legal guardian or conservator of a patient or resident shall consider the opinions of the patient or resident regarding the disclosure of the patient's or resident's presence in the facility."

Page 4, line 12, strike "a timely" and insert "an" and strike "and all"

Page 4, strike line 13

Page 4, line 14, strike "or more residential units," and delete "upon" and insert "within ten working days of"

Page 4, line 26, after the period, insert "*In a building with two or more residential units, a board of health must inspect the individual unit in which the conditions of this subdivision are met and must also inspect all common areas in the building.*"

Page 5, lines 23 and 24, delete "*in a timely manner*" and insert "*within ten working days*"

Page 11, after line 1, insert:

"Sec. 22. Minnesota Statutes 1993 Supplement, section 253B.03, subdivision 3, is amended to read:

Subd. 3. [VISITORS AND PHONE CALLS.] Subject to the general rules of the treatment facility, a patient has the right to receive visitors and make phone calls. The head of the treatment facility may restrict visits and phone calls on determining that the medical welfare of the patient requires it. Any limitation imposed on the exercise of the patient's visitation and phone call rights and the reason for it shall be made a part of the clinical record of the patient. Upon admission to a facility, ~~a patient or resident, or the patient's or resident's legal guardian or conservator, shall be given the opportunity to authorize disclosure of the patient's or resident's presence in the facility, to callers or visitors who may seek to communicate with the patient or resident.~~

This disclosure option must be made available in all cases where federal law prohibits unauthorized disclosure of patient or resident identifying information to callers and visitors, *the patient or resident, or the legal guardian or conservator of the patient or resident, shall be given the opportunity to authorize disclosure of the patient's or resident's presence in the facility to callers and visitors who may seek to communicate with the patient or resident.* To the extent possible, the legal guardian or conservator of a patient or resident shall consider the opinions of the patient or resident regarding the disclosure of the patient's or resident's presence in the facility.

Sec. 23. Minnesota Statutes 1993 Supplement, section 253B.03, subdivision 4, is amended to read:

Subd. 4. [SPECIAL VISITATION; RELIGION.] A patient has the right to meet with or call a personal physician, spiritual advisor, and counsel at all reasonable times. Upon admission to a facility, ~~a patient or resident, or the patient's or resident's legal guardian or conservator, shall be given the opportunity to authorize disclosure of the patient's or resident's presence in the facility, to callers or visitors who may seek to communicate with the patient or resident.~~ This disclosure option must be made available in all cases where federal law prohibits unauthorized disclosure of patient or resident identifying information to callers and visitors, *the patient or resident, or the legal guardian or conservator of the patient or resident, shall be given the opportunity to authorize disclosure of the patient's or resident's presence in the facility to callers and visitors who may seek to communicate with the patient or resident.* To the extent possible, the legal guardian or conservator of a patient or resident shall consider the opinions of the patient or resident regarding the disclosure of the patient's or resident's presence in the facility. The patient has the right to continue the practice of religion.

Sec. 24. Minnesota Statutes 1993 Supplement, section 326.71, subdivision 4, is amended to read:

Subd. 4. [ASBESTOS-RELATED WORK.] "Asbestos-related work" means the enclosure, repair, removal, or encapsulation of asbestos-containing material in a quantity that meets or exceeds 260 lineal feet of friable asbestos-containing material on pipes, 160 square feet of friable asbestos-containing material on other facility components, or a total of 35 cubic feet of friable asbestos-containing material ~~on or~~ off all facility components in one facility. In the case of single or multifamily residences, "asbestos-related work" also means the enclosure, repair, removal, or encapsulation of greater than ten but less than 260 lineal feet of friable asbestos-containing material on pipes ~~or ducts~~ or greater than six but less than 160 square feet of friable asbestos-containing material on other facility components. This provision excludes asbestos-containing vinyl floor tiles and sheeting under 160 square feet. Asbestos-related work includes asbestos abatement area preparation; enclosure, removal, encapsulation, or repair operations; and ~~an~~ air quality monitoring specified in rule to assure that the abatement and adjacent areas are not contaminated with asbestos fibers during the project and after completion.

Sec. 25. Minnesota Statutes 1993 Supplement, section 326.75, subdivision 3, is amended to read:

Subd. 3. [PERMIT FEE.] ~~One~~ Five calendar ~~day~~ days before beginning asbestos-related work, a person shall pay a project permit fee to the commissioner equal to one percent of the total costs of the asbestos-related work. For asbestos-related work performed in single or multifamily resi-

dences, of greater than ten but less than 260 linear feet of asbestos-containing material on pipes, or greater than six but less than 160 square feet of asbestos-containing material on other facility components, a person shall pay a project permit fee of \$35 to the commissioner.

**Sec. 26. [OPTIONS REGARDING DISCHARGE OF NURSING HOME RESIDENTS FOR NONPAYMENT.]**

*The commissioner of health shall submit to the legislature by February 15, 1995, options for amending Minnesota Statutes, section 144A.135, regarding discharge hearings for nursing home residents for nonpayment by a resident or responsible party. The options must take into consideration:*

- (1) a method for a shorter appeal process in nonpayment cases;*
- (2) a mechanism for addressing problems of financial exploitation of vulnerable adults;*
- (3) steps facilities should take to obtain payment prior to issuing a discharge notice;*
- (4) provision of services for residents facing discharge for nonpayment; and*
- (5) the feasibility of establishing an emergency fund to pay for services on a short-term basis when a discharge for nonpayment has been issued.*

**Sec. 27. [TICK-BORNE DISEASE REPORT.]**

*The commissioner, after consulting with representatives of local health departments, the lyme disease coalition of Minnesota, other affected state agencies, the tourist industry, medical providers, and health plans, shall report to the legislature by December 15, 1995, a description of the scope and magnitude of tick-borne diseases in Minnesota, propose measures to provide public and provider education to reduce the incidence of new tick-borne disease infections, and recommend mechanisms to fund increased tick and disease surveillance and prevention activities."*

Page 11, line 3, before "Minnesota" insert "Minnesota Statutes 1992, section 144.0723, subdivision 5, is repealed."

Renumber the sections in sequence

Amend the title as follows

Page 1, line 5, after the semicolon, insert "144.0723, subdivisions 1, 2, 3, 4, and 6;"

Page 1, line 6, after the semicolon, insert "144.417, subdivision 1;"

Page 1, line 8, after "sections" insert "144.651, subdivisions 21 and 26;"

Page 1, line 11, delete the second "and" and after the second semicolon, insert "253B.03, subdivisions 3 and 4; 326.71, subdivision 4; and 326.75, subdivision 3;"

Page 1, line 13, before "Minnesota" insert "Minnesota Statutes 1992, section 144.0723, subdivision 5;"

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

Mr. Chmielewski from the Committee on Transportation and Public Transit, to which was referred

S.F. No. 1966: A bill for an act relating to traffic regulations; making technical changes; requiring that transportation for students in Head Start programs be by school bus; removing requirement for auxiliary low beam lights to be removed or covered when snowplow blade removed; requiring seat belts for commercial motor vehicles; allowing transportation within state of raw farm and forest products exceeding maximum weight limitation by not more than three percent; amending Minnesota Statutes 1992, sections 169.448, subdivision 3; 169.743; and 169.851, subdivisions 3 and 5; Minnesota Statutes 1993 Supplement, sections 169.47, subdivision 1; 169.522, subdivision 1; 169.56, subdivision 5; and 169.686, subdivision 1.

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

Page 1, delete section 1 and insert:

"Section 1. Minnesota Statutes 1993 Supplement, section 169.122, subdivision 5, is amended to read:

Subd. 5. [EXCEPTION.] This section does not apply to the possession or consumption of alcoholic beverages by passengers in:

(1) a bus operated under a charter as defined in section 221.011, subdivision 20; or

(2) a limousine *providing service* as defined in section ~~168.011, subdivision 35~~ 221.84, subdivision 1."

Page 5, after line 25, insert:

"Sec. 9. Minnesota Statutes 1993 Supplement, section 221.0314, subdivision 10, is amended to read:

Subd. 10. [INSPECTION, REPAIR, AND MAINTENANCE.] Code of Federal Regulations, title 49, part 396, is incorporated by reference, except that sections 396.1, 396.9, and 396.17 to ~~396.25~~ 396.23 of that part are not incorporated."

Amend the title as follows:

Page 1, delete lines 3 and 4 and insert "changes; removing"

Page 1, line 11, delete everything after "sections"

Page 1, line 13, after "sections" insert "169.122, subdivision 5;"

Page 1, line 14, delete "and"

Page 1, line 15, before the period, insert "; and 221.0314, subdivision 10"

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

Mr. Marty from the Committee on Ethics and Campaign Reform, to which was referred

S.F. No. 943: A bill for an act relating to the ethical practices board; clarifying definitions; strengthening enforcement powers; changing duties;

requiring additional disclosure of lobbyist activities; facilitating reports of last-minute contributions; requiring return of public subsidies under certain conditions; amending Minnesota Statutes 1992, sections 10A.01, subdivisions 11, 25, 26, and 28; 10A.02, subdivisions 11 and 12; 10A.03, subdivisions 2 and 3; 10A.04, subdivisions 3, 4, 5, 6, and 7; 10A.05; 10A.08; 10A.09, subdivision 7; 10A.14, subdivision 4; 10A.15, by adding a subdivision; 10A.20, subdivisions 5 and 12; 10A.21, subdivision 3; 10A.23; 10A.31, subdivisions 6, 7, and 8; 10A.322, subdivision 4; 10A.324, subdivision 1; and 10A.34; repealing Minnesota Statutes 1992, sections 10A.09, subdivision 3; and 10A.21, subdivisions 1 and 2.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 10A.01, subdivision 11, is amended to read:

Subd. 11. (a) "Lobbyist" means an individual:

(1) engaged for pay or other consideration, or authorized to spend money by another individual, association, political subdivision, or public higher education system, who spends more than five hours in any month or more than \$250, not including the individual's own travel expenses and membership dues, in any year, for the purpose of attempting to influence legislative or administrative action, or the official action of a metropolitan governmental unit, by communicating or urging others to communicate with public or local officials; ~~or. Time spent monitoring legislative or administrative action, or the official action of a metropolitan governmental unit, and related research, analysis, and compilation and dissemination of information relating to legislative or administrative policy in this state, or to the policies of metropolitan governmental units, is counted toward the five-hour limit.~~

(2) "Lobbyist" also means an individual who spends more than \$250, not including the individual's own traveling expenses and membership dues, in any year for the purpose of attempting to influence legislative or administrative action; or the official action of a metropolitan governmental unit, by communicating or urging others to communicate with public or local officials.

(b) "Lobbyist" does not include:

(1) a public official;

(2) an employee of the state, including an employee of any of the public higher education systems;

(3) an elected local official;

(4) a nonelected local official or an employee of a political subdivision acting in an official capacity, unless the nonelected official or employee of a political subdivision spends more than 50 hours in any month attempting to influence legislative or administrative action, or the official action of a metropolitan governmental unit other than the political subdivision employing the official or employee, by communicating or urging others to communicate with public or local officials, including time spent monitoring legislative or administrative action, or the official action of a metropolitan governmental unit, and related research, analysis, and compilation and dissemination of

information relating to legislative or administrative policy in this state, or to the policies of metropolitan governmental units;

(5) a party or the party's representative appearing in a proceeding before a state board, commission or agency of the executive branch unless the board, commission or agency is taking administrative action;

(6) an individual while engaged in selling goods or services to be paid for by public funds;

(7) a news medium or its employees or agents while engaged in the publishing or broadcasting of news items, editorial comments or paid advertisements which directly or indirectly urge official action;

(8) a paid expert witness whose testimony is requested by the body before which the witness is appearing, but only to the extent of preparing or delivering testimony;

(9) a stockholder of a family farm corporation as defined in section 500.24, subdivision 2, who does not spend over \$250, excluding the stockholder's own travel expenses, in any year in communicating with public officials; or

(10) a party or the party's representative appearing to present a claim to the legislature and communicating to legislators only by the filing of a claim form and supporting documents and by appearing at public hearings on the claim.

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

*Subd. 13a. [OFFICIAL ACTION OF A METROPOLITAN GOVERNMENTAL UNIT.] "Official action of a metropolitan governmental unit" does not include action to apply or administer an adopted ordinance or land use plan but does include action to approve a contract, conveyance, or financing agreement.*

Sec. 3. Minnesota Statutes 1992, section 10A.01, subdivision 25, is amended to read:

*Subd. 25. [LOCAL OFFICIAL.] "Local official" means a person who holds elective office in a political subdivision or who is appointed to or employed in a public position in a political subdivision in which the person has authority to make, to recommend, or to vote on as a member of the governing body, major final recommendations and decisions regarding the expenditure or investment of public money. In a metropolitan governmental unit, "local official" includes a person appointed to or employed in a part-time or "acting" position.*

Sec. 4. Minnesota Statutes 1992, section 10A.01, subdivision 28, is amended to read:

*Subd. 28. [PRINCIPAL.] "Principal" means an individual or association, political subdivision, or public higher education system that:*

*(1) spends more than \$500 in the aggregate in any calendar year to engage a lobbyist, compensate a lobbyist, or authorize the expenditure of money by a lobbyist; or*

*(2) is not included in clause (1) and spends a total of at least \$50,000 in any calendar year on efforts to influence legislative action, administrative action,*

or the official action of metropolitan governmental units, as described in section 10A.04, subdivision 6.

Sec. 5. Minnesota Statutes 1992, section 10A.02, subdivision 11, is amended to read:

Subd. 11. The board may investigate any alleged violation of this chapter. The board shall investigate any violation which is alleged in a written complaint filed with the board and, except for alleged violations of section 10A.25 or 10A.27, shall within ~~30~~ 90 days after the filing of the complaint make a public finding of whether or not there is probable cause to believe a violation has occurred. In the case of a written complaint alleging a violation of section 10A.25 or 10A.27, the board shall either enter a conciliation agreement or make a public finding of whether or not there is probable cause, within ~~60~~ 90 days of the filing of the complaint. The deadline for action on any written complaint may be extended by majority vote of the board. Within a reasonable time after beginning an investigation of an individual or association, the board shall notify that individual or association of the fact of the investigation. The board shall make no finding of whether or not there is probable cause to believe a violation has occurred without notifying the individual or association of the nature of the allegations and affording an opportunity to answer those allegations. Any hearing or action of the board concerning any complaint or investigation other than a finding concerning probable cause or a conciliation agreement shall be confidential. Until the board makes a public finding concerning probable cause or enters a conciliation agreement:

(a) No member, employee, or agent of the board shall disclose to any individual any information obtained by that member, employee, or agent concerning any complaint or investigation except as required to carry out the investigation or take action in the matter as authorized by this chapter; and

(b) Any individual who discloses information contrary to the provisions of this subdivision shall be guilty of a misdemeanor. Except as provided in section 10A.28, after the board makes a public finding of probable cause the board shall report that finding to the appropriate law enforcement authorities.

Sec. 6. Minnesota Statutes 1992, section 10A.02, subdivision 12, is amended to read:

Subd. 12. The board may issue and publish advisory opinions on the requirements of this chapter based upon real or hypothetical situations. An application for an advisory opinion may be made only by an individual or association who wishes to use the opinion to guide the individual's or the association's own conduct. The board shall issue written opinions on all such questions submitted to it within ~~30~~ 60 days after receipt of written application, unless a majority of the board agrees to extend the time limit. An advisory opinion shall lapse the day the regular session of the legislature adjourns in the second year following the date of the opinion.

Sec. 7. Minnesota Statutes 1992, section 10A.03, subdivision 2, is amended to read:

Subd. 2. The registration form shall be prescribed by the board and shall include (a) the name and address of the lobbyist, (b) the principal place of business of the lobbyist, (c) the name and address of each person, if any, by whom the lobbyist is retained or employed or on whose behalf the lobbyist

appears, and, if different, of each principal by which the lobbyist is engaged, compensated, or authorized to lobby, and (d) a general description of the subject or subjects on which the lobbyist expects to lobby whether the lobbying is to influence legislative action, administrative action, or the official actions of a metropolitan governmental unit. If the lobbyist lobbies on behalf of an association the registration form shall include the name and address of the officers and directors of the association. If the lobbyist lobbies on behalf of a political subdivision, the registration must include the name and address of the chief executive and members of the governing body of the political subdivision.

Sec. 8. Minnesota Statutes 1992, section 10A.03, subdivision 3, is amended to read:

Subd. 3. The board shall notify by certified mail or personal service any lobbyist who fails to file a registration form within five days after becoming a lobbyist. If a lobbyist fails to file a form within seven five days after receiving this the notice was mailed, the board may impose a late filing fee at \$5 \$25 per day, not to exceed \$100 \$250, commencing with the eighth sixth day after receiving the notice was mailed. The board shall further notify by certified mail or personal service any lobbyist who fails to file a form within 21 days of receiving a after the first notice was mailed that the lobbyist may be subject to a criminal penalty for failure to file the form. A lobbyist who knowingly fails to file a form within seven five days after receiving a second this notice from the board is guilty of a misdemeanor.

Sec. 9. Minnesota Statutes 1992, section 10A.04, subdivision 3, is amended to read:

Subd. 3. Each person or, association, or political subdivision about whose activities a lobbyist is required to report shall provide the information required by sections 10A.03 to 10A.05 to the lobbyist no later than five days before the prescribed filing date.

Sec. 10. Minnesota Statutes 1992, section 10A.04, subdivision 4, is amended to read:

Subd. 4. [REPORT CONTENTS.] (a) The report shall include such information as the board may require from the registration form and the information required by this subdivision for the reporting period.

(b) Each lobbyist shall report the lobbyist's total disbursements on lobbying, separately listing lobbying to influence legislative action, lobbying to influence administrative action, and lobbying to influence the official actions of a metropolitan governmental unit, and a breakdown of disbursements for each of those kinds of lobbying into categories specified by the board, including but not limited to the cost of publication and distribution of each publication used in lobbying; other printing; media, including the cost of production; postage; travel; fees, including allowances; entertainment; telephone and telegraph; and other expenses.

(c) Each lobbyist shall report the amount and nature of each honorarium, gift, loan, item or benefit, excluding contributions to a candidate, equal in value to \$50 or more, given or paid to any public or local official by the lobbyist or any employer or any employee of the lobbyist. The list shall include the name and address of each public or local official to whom the

honorarium, gift, loan, item or benefit was given or paid and the date it was given or paid.

(d) Each lobbyist shall report each original source of ~~funds money~~ in excess of \$500 in any year used for the purpose of lobbying to influence legislative action, each such source of ~~funds money~~ used to influence administrative action, and each such source of ~~funds money~~ used to influence the official action of metropolitan governmental units. *For money used to influence administrative action or the official action of metropolitan governmental units, the administrative entities and metropolitan governmental units must be identified.* The list shall include the name, address and employer, or, if self-employed, the occupation and principal place of business, of each payer of funds in excess of \$500.

Sec. 11. Minnesota Statutes 1992, section 10A.04, subdivision 5, is amended to read:

Subd. 5. The board shall notify by certified mail ~~or personal service~~ any lobbyist ~~or principal~~ who fails after seven days after a filing date imposed by this section to file a report or statement required by this section. If a lobbyist ~~or principal~~ fails to file a report within ~~seven~~ five days after ~~receiving this~~ the notice was mailed, the board may impose a late filing fee of \$5 ~~\$25~~ per day, not to exceed ~~\$100~~ \$250, commencing with the ~~eighth~~ sixth day after ~~receiving the~~ notice was mailed. The board shall further notify by certified mail or personal service any lobbyist ~~or principal~~ who fails to file a report within 21 days after ~~receiving a~~ the first notice was mailed that the lobbyist ~~or principal~~ may be subject to a criminal penalty for failure to file the report. A lobbyist ~~or principal~~ who ~~knowingly~~ fails to file such a report or statement within ~~seven~~ five days after receiving a ~~second~~ this notice ~~from the board~~ is guilty of a misdemeanor.

Sec. 12. Minnesota Statutes 1992, section 10A.04, subdivision 6, is amended to read:

Subd. 6. [LOBBYIST AND PRINCIPAL REPORTS.] (a) Each principal shall report to the board as required in this subdivision by March 15 for the preceding calendar year.

(b) Each principal shall report ~~which of the following categories includes~~ the total amount, ~~rounded to the nearest dollar,~~ spent by the principal during the preceding calendar year to influence legislative action, ~~the total amount spent by the principal during the preceding calendar year to influence~~ administrative action, and ~~the total amount spent by the principal during the preceding calendar year to influence~~ the official action of metropolitan governmental units:

- (1) \$501 to \$50,000;
- (2) \$50,001 to \$150,000; or
- (3) \$150,001 to \$250,000.

(c) Beyond \$250,000, each additional \$250,000 constitutes an additional category, and each principal shall report ~~which of the categories includes the~~ total amount spent by the principal for the purposes provided in this subdivision.

(d) The principal shall report under this subdivision a total amount that ~~includes amounts reported under paragraph (b) must include:~~

- (1) all direct payments by the principal to lobbyists in Minnesota;

(2) all expenditures for advertising, mailing, research, analysis, compilation and dissemination of information, and public relations campaigns related to legislative action, administrative action, or the official action of metropolitan governmental units in Minnesota; and

(3) all salaries and administrative expenses attributable to activities of the principal relating to efforts to influence legislative action, administrative action, or the official action of metropolitan governmental units in Minnesota.

*(d) For amounts used to influence administrative action or the official action of metropolitan governmental units, the administrative entities and metropolitan governmental units must be identified.*

Sec. 13. Minnesota Statutes 1992, section 10A.04, subdivision 7, is amended to read:

Subd. 7. [FINANCIAL RECORDS.] The board may randomly audit the financial records of lobbyists and principals required to report under this section. *Lobbyists and principals shall retain for four years after the report was filed all records concerning the matters reported under this chapter, including vouchers, canceled checks, bills, invoices, worksheets, and receipts.*

Sec. 14. Minnesota Statutes 1992, section 10A.05, is amended to read:

#### 10A.05 [LOBBYIST REPORT.]

Within 30 days after each lobbyist filing date set by section 10A.04, the executive director of the board shall report to the governor, and the presiding officer of each house of the legislature, the names of the lobbyists registered who were not previously reported, the names of the persons ~~or~~, associations, *or political subdivisions* whom they represent as lobbyists, ~~the subject or subjects on which they are lobbying~~, and whether in each case they lobby to influence legislative or administrative action or both. At the same times, the executive director of the board shall report to the governing body of each metropolitan governmental unit, the names of the registered lobbyists who attempt to influence the official action of metropolitan governmental units, *and the names of the persons or, associations, or political subdivisions whom they represent as lobbyists;* ~~and the subject or subjects on which they are lobbying.~~

Sec. 15. Minnesota Statutes 1993 Supplement, 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, 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 a candidate's principal campaign committee, any other political committee with the candidate's name or title, 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. *For a candidate for constitutional office, the prohibition in this subdivision extends to the 14 days immediately following adjournment of the legislature in either year of a biennium.*

Sec. 16. Minnesota Statutes 1992, section 10A.065, is amended by adding a subdivision to read:

*Subd. 6. [FEDERAL OFFICES.] This section does not prohibit a candidate from soliciting or accepting a contribution to a campaign for a federal office.*

Sec. 17. Minnesota Statutes 1992, section 10A.08, is amended to read:

**10A.08 [REPRESENTATION DISCLOSURE.]**

Any public official who represents a client for a fee before any individual, board, commission or agency that has rule making authority in a hearing conducted under chapter 14, shall disclose the official's participation in the action to the board within 14 days after the appearance. The board shall notify by certified mail or personal service any public official who fails to disclose the participation within 14 days after the appearance. If the public official fails to disclose the participation within ~~seven~~ five days of after this notice was mailed, the board may impose a late filing fee of \$5 \$25 per day, not to exceed \$100 \$250, commencing on the ~~eighth~~ sixth day after receiving the notice was mailed. The board shall further notify by certified mail or personal service any individual who fails to disclose the participation within 21 days after the first notice was mailed that the individual may be subject to a criminal penalty for failure to disclose the participation. An individual who fails to disclose the participation within five days after receiving this notice is guilty of a misdemeanor.

Sec. 18. Minnesota Statutes 1992, section 10A.09, subdivision 7, is amended to read:

*Subd. 7. The board shall notify by certified mail or personal service any individual who fails within the prescribed time to file a statement of economic interest required by this section. If an individual fails to file a statement within seven five days after receiving this the notice was mailed, the board may impose a late filing fee of \$5 \$25 per day, not to exceed \$100 \$250, commencing on the eighth sixth day after receiving the notice was mailed. The board shall further notify by certified mail or personal service any individual who fails to file a statement within 21 days after receiving a the first notice was mailed that the individual may be subject to a criminal penalty for failure to file a statement. An individual who fails to file a statement within seven five days after a second receiving this notice is guilty of a misdemeanor.*

Sec. 19. Minnesota Statutes 1992, section 10A.14, subdivision 4, is amended to read:

*Subd. 4. The board shall notify by certified mail or personal service any individual who fails to file a statement required by this section. If an individual fails to file a statement within seven five days after receiving a the notice was mailed, the board may impose a late filing fee of \$5 \$25 per day, not to exceed \$100 \$250, commencing with the eighth sixth day after receiving the notice was mailed. The board shall further notify by certified mail or personal service any individual who fails to file a statement within 21 days after receiving a the first notice was mailed that such individual may be subject to a criminal penalty for failure to file the report statement. An individual who knowingly fails to file the statement within seven five days after receiving a second this notice from the board is guilty of a misdemeanor.*

Sec. 20. Minnesota Statutes 1992, section 10A.15, subdivision 3a, is amended to read:

Subd. 3a. No treasurer of a principal campaign committee of a candidate *or of a political committee or political fund* shall deposit any transfer which on its face exceeds the limit on contributions to that candidate *or political committee or political fund* prescribed by section 10A.27 unless, at the time of deposit, the treasurer issues a check to the source for the amount of the excess.

Sec. 21. Minnesota Statutes 1993 Supplement, section 10A.15, subdivision 5, is amended 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 *that makes a contribution to a candidate* must show *on the contribution* the name of the lobbyist, political committee, or political fund and the number under which it is registered with the board. *A candidate may rely upon the presence or absence of a registration number in determining whether the contribution is from a lobbyist and is not subject to a civil penalty for the failure of a contributor to comply with this subdivision. The contributor is subject to a civil penalty imposed by the board in an amount up to four times the amount of the contribution that was not properly identified.*

Sec. 22. Minnesota Statutes 1993 Supplement, 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 *during the reporting period*, including the purchase of tickets for all fund raising efforts, which in aggregate *within the year equal or exceed* \$100 for legislative, *judicial district*, 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 *during the reporting period that aggregate* 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, *except that an independent expenditure of less than \$300 per candidate by an association targeted to inform solely its own dues-paying members of the association's position on a candidate need not be itemized and an association that makes only this type of expenditure need not register with the board;*

(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 *have been made during the reporting period that aggregate* 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 have been made during the reporting period that aggregate~~ 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;

(m) The sum of all ~~noncampaign~~ disbursements made within the year *reporting period* 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. 23. Minnesota Statutes 1992, section 10A.20, subdivision 5, is amended to read:

Subd. 5. [PREELECTION REPORTS.] In any statewide election any loan, contribution, or contributions from any one source totaling \$2,000 or more, or in any *judicial district* or legislative election totaling more than \$400, received between the last day covered in the last report prior to an election and the election shall be reported to the board in one of the following ways:

(1) in person within 48 hours after its receipt;

(2) *by facsimile transmission and first class mail sent within 48 hours after its receipt;*

~~(2)~~ (3) by telegram or mailgram within 48 hours after its receipt; or

~~(3)~~ (4) by certified mail sent within 48 hours after its receipt.

These loans and contributions must also be reported in the next required report.

The 48-hour notice requirement does not apply with respect to a primary if the statewide or legislative candidate is unopposed in that primary.

Sec. 24. Minnesota Statutes 1993 Supplement, section 10A.20, subdivision 6b, is amended to read:

Subd. 6b. [INDEPENDENT EXPENDITURES; NOTICE.] (a) 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 an affidavit notifying the board of the intent to make the independent expenditure and serve a copy of the affidavit on each candidate in the affected race and on the treasurer of the candidate's principal campaign committee. The affidavit 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.

(b) An individual or the treasurer of a political committee or political fund who fails to give notice as required by this subdivision, or who files a false affidavit of notice, is guilty of a gross misdemeanor and is subject to a civil fine of up to four times the amount of the independent expenditure ~~stated in the notice or of which notice was required or, whichever is greater in the case of a false notice, the difference between the amount stated and the amount required.~~

Sec. 25. Minnesota Statutes 1992, section 10A.20, subdivision 12, is amended to read:

Subd. 12. The board shall notify by certified mail ~~or personal service~~ any individual who fails to file a statement required by this section. If an individual fails to file a statement due January 31 within ~~seven~~ five days after

receiving a notice was mailed, the board may impose a late filing fee of \$5 \$25 per day, not to exceed \$100 \$250, commencing on the eighth sixth day after receiving notice was mailed. If an individual fails to file a statement due before any primary or election within three days of the date due, regardless of whether the individual has received any notice, the board may impose a late filing fee of \$50 \$100 per day, not to exceed \$500 \$1,000, commencing on the fourth day after the date the statement was due. The board shall further notify by certified mail or personal service any individual who fails to file any statement within 14 days after receiving a first notice from the board was mailed that the individual may be subject to a criminal penalty for failure to file a statement. An individual who knowingly fails to file the statement within seven five days after receiving a second this notice from the board is guilty of a misdemeanor.

Sec. 26. Minnesota Statutes 1992, section 10A.21, subdivision 3, is amended to read:

Subd. 3. Statements and reports filed with a county auditor shall be available to the public in the manner prescribed by section 10A.02, subdivision 8, clause (e). Statements and reports of principal campaign committees shall be retained until four years after the election to which they pertain. Economic interest statements shall be retained until the subject of the statement is no longer a candidate or officeholder. Upon request of a county auditor, the board shall send the auditor a copy of a statement of economic interest filed with the board. The copy need not be certified.

Sec. 27. Minnesota Statutes 1992, section 10A.23, is amended to read:

#### 10A.23 [CHANGES AND CORRECTIONS.]

Subdivision 1. [REPORT.] Any material changes in information previously submitted and any corrections to a report or statement shall be reported in writing to the board within ten days following the date of the event prompting the change or the date upon which the person filing became aware of the inaccuracy. The change or correction shall identify the form and the paragraph containing the information to be changed or corrected.

Subd. 2. [NOTICE; PENALTY.] If the board determines that a report or statement is inaccurate, the board shall notify by certified mail the person who filed the report or statement of the need to correct it. If the person fails to file a corrected report or statement within ten days after the notice was mailed, the board may impose a late filing fee at the rate of \$25 a day, not to exceed \$250, commencing with the 11th day after the notice was mailed. The board shall further notify by certified mail or personal service a person who fails to file a corrected report or statement within 21 days after the first notice was mailed that the person may be subject to a criminal penalty for failure to file the correction. Any person who willfully fails to report a material change or correction within 30 days after receiving this notice is guilty of a gross misdemeanor.

Sec. 28. Minnesota Statutes 1993 Supplement, 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:

- (1) for governor and lieutenant governor, running together, \$1,626,691;
- (2) for attorney general, \$271,116;
- (3) for secretary of state, state treasurer, and state auditor, separately, \$135,559;
- (4) for state senator, \$40,669;
- (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~~ *a candidate* for that office for the first time and who has not ~~run~~ *previously been a candidate* for any other *state, federal, or local* office whose territory now includes a population that is more than one-third of the population in the territory of the new office.

Sec. 29. Minnesota Statutes 1993 Supplement, section 10A.25, subdivision 6, is amended to read:

Subd. 6. *During an election cycle*, in any year before ~~an~~ *the* 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 20 percent of the expenditure limit set forth in subdivision 2.

Sec. 30. Minnesota Statutes 1993 Supplement, section 10A.25, subdivision 11, is amended 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 *election-year* 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. 31. Minnesota Statutes 1993 Supplement, section 10A.25, subdivision 13, is amended to read:

Subd. 13. [INDEPENDENT EXPENDITURES; LIMITS INCREASED.] (a) The expenditure limits in this section are increased by the sum of independent expenditures made in opposition to a candidate plus independent expenditures made on behalf of the candidate's major political party opponents, other than expenditures by an association targeted to inform solely its own dues-paying members of the association's position on a candidate.

(b) Within 48 hours after receipt of an expenditure report or notice required by section 10A.20, subdivision 3, 6, or 6b, the board shall notify each candidate in the race of the increase in the expenditure limit for the candidates against whom the independent expenditures have been made.

(c) Within three days after providing this notice, the board shall pay each candidate against whom the independent expenditures have been made, if the candidate is eligible to receive a public subsidy and has raised twice the minimum match required, an additional public subsidy equal to one-half the independent expenditures. *If the candidate has not already filed with the board an affidavit that the candidate has raised twice the minimum match required, the board need not make the payment until three days after the candidate has filed the affidavit.* The amount needed to pay the additional public subsidy under this subdivision is appropriated from the general fund to the board.

Sec. 32. Minnesota Statutes 1993 Supplement, 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 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 *state or political subdivision office in any state*, unless the contribution is from the personal funds of the candidate for *state or 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 *state or political subdivision office in any state*.

Sec. 33. Minnesota Statutes 1993 Supplement, section 10A.27, subdivision 10, is amended to read:

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

Sec. 34. Minnesota Statutes 1993 Supplement, section 10A.27, subdivision 12, is amended to read:

Subd. 12. [CONTRIBUTIONS TO OTHER POLITICAL COMMITTEES OR FUNDS.] The treasurer of a political committee or political fund *that makes contributions to candidates, 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. 35. Minnesota Statutes 1992, section 10A.275, subdivision 1, is amended to read:

Subdivision 1. [EXCEPTIONS.] Notwithstanding any other provisions of this chapter, the following expenditures by a state political party, a party unit, or two or more party units acting together, with at least one party unit being either: the state party organization or the party organization within a congressional district, county, or legislative district, shall not be considered contributions to or expenditures on behalf of any candidate for the purposes of section 10A.25 or 10A.27, and shall not be allocated to any candidates pursuant to section 10A.22, subdivision 5:

(a) expenditures on behalf of candidates of that party generally without referring to any of them specifically in any advertisement published, posted or broadcast;

(b) expenditures for the preparation, display, mailing or other distribution of an official party sample ballot listing the names of three or more individuals whose names are to appear on the ballot;

(c) expenditures for any telephone conversation including the names of three or more individuals whose names are to appear on the ballot;

(d) expenditures for any political party fundraising effort on behalf of three or more candidates; or

(e) expenditures for party committee staff member services that benefit three or more candidates.

*Public subsidy money received from the state and required to be used for multicandidate political expenditures must be kept in a separate account and used only on behalf of candidates who have filed a spending limit agreement under section 10A.322.*

Sec. 36. Minnesota Statutes 1992, section 10A.28, subdivision 1, is amended to read:

Subdivision 1. [CANDIDATE EXCEEDING EXPENDITURE LIMITS.] A candidate subject to the expenditure limits in section 10A.25 who permits the candidate's principal campaign committee to make expenditures or permits approved expenditures to be made on the candidate's behalf in excess of the limits imposed by section 10A.25, as adjusted by section 10A.255, *may be ordered by the board to return part or all of the public subsidy paid to the candidate and is subject to a civil fine up to four times the amount which the expenditures exceeded the limit.*

Sec. 37. Minnesota Statutes 1992, section 10A.31, subdivision 3, is amended to read:

Subd. 3. [FORM.] The commissioner of the department of revenue shall provide on the first page of the income tax form and the renter and homeowner property tax refund return a space for the individual to indicate a wish to allocate \$5 (\$10 if filing a joint return) from the general fund of the state to finance election campaigns. The form shall also contain language prepared by the commissioner which permits the individual to direct the state to allocate the \$5 (or \$10 if filing a joint return) to: (i) one of the major political parties *and its candidates*; (ii) any minor political party as defined in section 10A.01, subdivision 13, which qualifies under the provisions of subdivision 3a, *and its candidates*; or (iii) all qualifying candidates as provided by subdivision 7. The

renter and homeowner property tax refund return shall include instructions that the individual filing the return may designate \$5 on the return only if the individual has not designated \$5 on the income tax return.

Sec. 38. Minnesota Statutes 1993 Supplement, section 10A.31, subdivision 4, is amended to read:

Subd. 4. (a) The amounts designated by individuals for the state elections campaign fund, less three percent, are appropriated from the general fund and shall be credited to the appropriate account in the state elections campaign fund and annually appropriated for distribution as set forth in subdivisions 5, 6 and 7. An amount equal to three percent shall be retained in the general fund for administrative costs.

(b) In addition to the amounts in paragraph (a), \$1,500,000 for each general election is appropriated from the general fund *for transfer* to the general account of the state elections campaign fund.

Sec. 39. Minnesota Statutes 1992, section 10A.31, subdivision 5, is amended to read:

Subd. 5. In each calendar year the money in the general account shall be allocated to candidates as follows:

- (1) 21 percent for the offices of governor and lieutenant governor together;
- (2) 3.6 percent for the office of attorney general;
- (3) 1.8 percent each for the offices of secretary of state, state auditor, and state treasurer;
- (4) In each calendar year during the period in which state senators serve a four-year term, 23-1/3 percent for the office of state senator, and 46-2/3 percent for the office of state representative;
- (5) In each calendar year during the period in which state senators serve a two-year term, 35 percent each for the offices of state senator and state representative.

In each calendar year the money in each party account shall be allocated as follows:

- (1) 14 percent for the offices of governor and lieutenant governor together;
- (2) 2.4 percent for the office of attorney general;
- (3) 1.2 percent each for the offices of secretary of state, state auditor, and state treasurer;
- (4) In each calendar year during the period in which state senators serve a four-year term, 23-1/3 percent for the office of state senator, and 46-2/3 percent for the office of state representative;
- (5) In each calendar year during the period in which state senators serve a two-year term, 35 percent each for the offices of state senator and state representative;
- (6) ten percent for the state committee of a political party; money allocated to each state committee under this clause must be deposited in a separate account and must be spent for only those items enumerated in section 10A.275; money allocated to a state committee under this clause must be paid

to the committee by the state treasurer as notified by the state ethical practices board as it is received in the account on a monthly basis, with payment on the 15th day of the calendar month following the month in which the returns were processed by the department of revenue, provided that these distributions would be equal to 90 percent of the amount of money indicated in the department of revenue's weekly unedited reports of income tax returns and property tax refund returns processed in the month, as notified by the department of revenue to the state ethical practices board. The amounts paid to each state committee are subject to biennial adjustment and settlement at the time of each certification required of the commissioner of revenue under subdivisions 7 and 10. If the total amount of payments received by a state committee for the period reflected on a certification by the department of revenue is different from the amount that should have been received during the period according to the certification, each subsequent monthly payment must be increased or decreased to the fullest extent possible until the amount of the overpayment is recovered or the underpayment is distributed.

To assure that moneys will be returned to the counties from which they were collected, and to assure that the distribution of those moneys rationally relates to the support for particular parties or for particular candidates within legislative districts, money from the party accounts for legislative candidates shall be distributed as follows:

Each candidate for the state senate and state house of representatives whose name is to appear on the ballot in the general election shall receive money from the candidate's party account set aside for candidates of the state senate or state house of representatives, whichever applies, according to the following formula;

For each county within the candidate's district the candidate's share of the dollars allocated in that county to the candidate's party account and set aside for that office shall be:

(a) The sum of the votes cast in the last general election in that part of the county in the candidate's district for all candidates of that candidate's party (i) whose names appeared on the ballot in each voting precinct of the state and (ii) for the state senate and state house of representatives, divided by

(b) The sum of the votes cast in that county in the last general election for all candidates of that candidate's party (i) whose names appeared on the ballot in each voting precinct in the state and (ii) for the state senate and state house of representatives, multiplied by

(c) The amount in the candidate's party account allocated in that county and set aside for the candidates for the office for which the candidate is running.

The sum of all the county shares calculated in the formula above is the candidate's share of the candidate's party account.

In a year in which an election for the state senate occurs, with respect to votes for candidates for the state senate only, "last general election" means the last general election in which an election for the state senate occurred.

For any party under whose name no candidate's name appeared on the ballot in each voting precinct in the state in the last general election, amounts in the party's account shall be allocated based on (a) the number of people voting in the last general election in that part of the county in the candidate's district, divided by (b) the number of the people voting in that county in the

last general election, multiplied by (c) the amount in the candidate's party account allocated in that county and set aside for the candidates for the office for which the candidate is running.

In a year in which the first election after a legislative reapportionment is held, "the candidate's district" means the newly drawn district, and voting data from the last general election will be applied to the area encompassing the newly drawn district notwithstanding that the area was in a different district in the last general election.

If in a district there was no candidate of a party for the state senate or state house of representatives in the last general election, or if a candidate for the state senate or state house of representatives was unopposed, the vote for that office for that party shall be the average vote of all the remaining candidates of that party in each county of that district whose votes are included in the sums in clauses (a) and (b). The average vote shall be added to the sums in clauses (a) and (b) before the calculation is made for all districts in the county.

Money from a party account ~~not distributed to~~ *refused by* candidates for state senator and representative in any election year shall be returned to the general fund of the state. Money from a party account not distributed to candidates for other offices in an election year shall be returned to the party account for reallocation to candidates as provided in clauses (1) to (6) in the following year. ~~Money from the general account refused by any candidate shall be distributed to all other qualifying candidates in proportion to their shares as provided in this subdivision.~~

Sec. 40. Minnesota Statutes 1993 Supplement, 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 board shall distribute the available funds in the general account, as certified by the commissioner of revenue on November 1 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, provided that the public subsidy under this subdivision may not be paid in an amount that would cause the sum of the public subsidy paid from the party account plus the public subsidy paid from the general account and the public subsidy paid to match independent expenditures to exceed 50 percent of the expenditure limit for the candidate, *or 50 percent of the expenditure limit that would have applied to the candidate if the candidate had not been freed from expenditure limits under section 10A.25, subdivision 10.* If a candidate is entitled to receive an opponent's share of the general account public subsidy under section 10A.25, subdivision 10, the opponent's share must be excluded in calculating the 50 percent limit. Money from the general account not paid to a candidate because of the 50 percent limit must be distributed equally among all other qualifying candidates for the same office until all have reached the 50 percent limit or the balance in the general account is exhausted. ~~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.~~ *If a candidate has not yet filed a campaign finance report required by section 10A.20, subdivision 2, or the candidate*

*owes money to the board, the board shall not pay a public subsidy to the candidate until the report has been filed or the debt has been paid, whichever applies.*

Sec. 41. Minnesota Statutes 1992, section 10A.31, subdivision 11, is amended to read:

Subd. 11. For the purposes of this section, a write-in candidate is a candidate only upon complying with the provisions of ~~section 10A.32, subdivision 3~~ *sections 10A.322 and 10A.323.*

Sec. 42. Minnesota Statutes 1993 Supplement, section 10A.31, subdivision 12, is amended 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 state committee of 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. 43. Minnesota Statutes 1993 Supplement, 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. The candidate must meet *one-quarter of* the matching requirements of section 10A.323. 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.

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

Sec. 44. Minnesota Statutes 1993 Supplement, section 10A.322, subdivision 1, is amended to read:

Subdivision 1. [AGREEMENT BY CANDIDATE.] (a) As a condition of receiving a public subsidy, 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 *candidate's* general election. An agreement may not be 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.

*(e) A candidate who fills a vacancy in nomination that occurs after the deadline in paragraph (b) may file a spending limit agreement no later than the day after the candidate fills the vacancy.*

Sec. 45. Minnesota Statutes 1992, section 10A.322, subdivision 4, is amended to read:

Subd. 4. [REFUND RECEIPT FORMS; PENALTY.] The board shall make available *at cost* to a political party on request, *other than a political party unit organized at the municipal or precinct level*, and to any candidate for whom an agreement under this section is effective, a supply of official refund receipt forms that state in boldface type that (1) a contributor who is given a receipt form is eligible to claim a refund as provided in section 290.06, subdivision 23, and (2) if the contribution is to a candidate, that the candidate has signed an agreement to limit campaign expenditures as provided in this section. The forms must provide duplicate copies of the receipt to be attached to the contributor's claim. A candidate who does not sign an agreement under this section and who willfully issues an official refund receipt form or a facsimile of one to any of the candidate's contributors is guilty of a misdemeanor.

Sec. 46. Minnesota Statutes 1993 Supplement, 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 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 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 section to the board in writing by September 1 of the general election year to receive the payment based on the results of made following 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 made following the general election, and by December 1 to receive the payment made December 15.

Sec. 47. Minnesota Statutes 1993 Supplement, 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 this section or 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.

(b) If the board determines that a candidate has filed an affidavit of matching contributions under section 10A.323 that is not supported by the campaign finance reports filed by the candidate under section 10A.20, the board shall notify the treasurer of the candidate's principal campaign committee and demand return of any public subsidy paid to the candidate for that election cycle. The treasurer shall return the entire public subsidy to the board.

Sec. 48. Minnesota Statutes 1992, section 10A.335, is amended to read:

#### 10A.335 [LEGISLATIVE MONITORING OF TAX CHECKOFF.]

For the purpose of determining whether the distribution formula provided in section 10A.31, subdivision 5, (a) assures that money will be returned to the counties from which they were collected, and (b) continues to have a rational relation to the support for particular parties or particular candidates within

legislative districts, it is the intention of this section that future legislatures monitor, using statistical data provided by the department of revenue, income tax returns and renter and homeowner property tax refund returns on which \$2, or in the case of a joint return, \$4, is designated an amount has been checked off for a political party.

Sec. 49. Minnesota Statutes 1992, section 10A.34, is amended to read:

10A.34 [REMEDIES.]

Subdivision 1. A person charged with a duty under sections 10A.02 to 10A.34 this chapter shall be personally liable for the penalty for failing to discharge it.

Subd. 1a. The board may bring an action in the district court in Ramsey county to recover any late filing fee imposed or public subsidy paid pursuant to any provision of this chapter. All money recovered shall be deposited in the general fund of the state.

Subd. 2. The board or a county attorney may seek an injunction in the district court to enforce the provisions of sections 10A.02 to 10A.34 this chapter.

Subd. 3. Unless otherwise provided, a violation of sections 10A.02 to 10A.34 this chapter is not a crime, but is subject to a civil penalty imposed by the board in an amount up to \$1,000.

Subd. 4. [AWARD OF COSTS.] If the board prevails in an action to enforce this chapter, the board may request and the court may award to the board its costs, disbursements, reasonable attorney fees, and witness fees.

Sec. 50. Minnesota Statutes 1993 Supplement, section 211A.12, is amended to read:

211A.12 [CONTRIBUTION LIMITS.]

A candidate or a candidate's committee 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 or candidate's committee 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. The following deliveries are not subject to the bundling limitation in this section:

(1) delivery of contributions collected by a member of the candidate's 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.

Notwithstanding sections 211A.02, subdivision 3, and 410.21, this section supersedes any home rule charter.

Sec. 51. Minnesota Statutes 1993 Supplement, section 211B.15, subdivision 2, is amended to read:

Subd. 2. [PROHIBITED CONTRIBUTIONS.] A corporation 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.

Sec. 52. Minnesota Statutes 1993 Supplement, section 211B.15, subdivision 15, is amended to read:

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

(1) ~~cannot engage in~~ *is not organized or operating for the principal purpose of conducting a 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.

Sec. 53. Minnesota Statutes 1993 Supplement, section 211B.15, subdivision 16, is amended to read:

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 (a conduit fund)~~ *program that makes contributions to candidates only as directed by its individual contributors* 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. 54. Minnesota Statutes 1993 Supplement, 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 *or treasurer*, 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.

(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. 55. [ERRONEOUS PAYMENTS RATIFIED.]

*Payments made by the state treasurer in 1990 under Minnesota Statutes, section 10A.31, subdivision 6, are ratified, notwithstanding any errors of the commissioner of revenue in certifying the amounts due.*

## Sec. 56. [REPEALER.]

*Minnesota Statutes 1992, sections 10A.09, subdivision 3; 10A.21, subdivisions 1 and 2; and 10A.324, subdivisions 2 and 4, are repealed.*

## Sec. 57. [INSTRUCTION TO REVISOR.]

*If H.F. No. 1863 is enacted, the revisor of statutes shall code section 6 of H.F. No. 1863 in chapter 10A, not in chapter 471.*

## Sec. 58. [EFFECTIVE DATE.]

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

Delete the title and insert:

"A bill for an act relating to the ethical practices board; clarifying definitions; strengthening enforcement powers; requiring additional disclosure of lobbyist activities; facilitating reports of last-minute contributions; clarifying campaign finance requirements; requiring return of public subsidies under certain conditions; amending Minnesota Statutes 1992, sections 10A.01, subdivisions 11, 25, 28, and by adding a subdivision; 10A.02, subdivisions 11 and 12; 10A.03, subdivisions 2 and 3; 10A.04, subdivisions 3, 4, 5, 6, and 7; 10A.05; 10A.065, by adding a subdivision; 10A.08; 10A.09, subdivision 7; 10A.14, subdivision 4; 10A.15, subdivision 3a; 10A.20, subdivisions 5 and 12; 10A.21, subdivision 3; 10A.23; 10A.275, subdivision 1; 10A.28, subdivision 1; 10A.31, subdivisions 3, 5, and 11; 10A.322, subdivision 4; 10A.335; and 10A.34; Minnesota Statutes 1993 Supplement, sections 10A.065, subdivision 1; 10A.15, subdivision 5; 10A.20, subdivisions 3 and 6b; 10A.25, subdivisions 2, 6, 11, and 13; 10A.27, subdivisions 9, 10, and 12; 10A.31, subdivisions 4, 7, and 12; 10A.315; 10A.322, subdivision 1; 10A.323; 10A.324, subdivision 1; 211A.12; 211B.15, subdivisions 2, 15, and 16; and 290.06, subdivision 23; repealing Minnesota Statutes 1992, sections 10A.09, subdivision 3; 10A.21, subdivisions 1 and 2; and 10A.324, subdivisions 2 and 4."

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

Mr. Mondale, for Mrs. Adkins, from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 2232: A bill for an act relating to counties; providing for the filling by appointment of certain offices previously elective; providing for conforming changes; amending Minnesota Statutes 1992, section 382.01; repealing Minnesota Statutes 1992, section 382.02.

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

Page 1, delete sections 1 and 2 and insert:

"Section 1. Minnesota Statutes 1992, section 382.01, is amended to read:  
382.01 [OFFICERS ELECTED; TERMS.]

*Subdivision 1. [GREATER MINNESOTA COUNTIES.] In every county in this state there shall be elected at the general election in 1918 a county auditor, a county treasurer, sheriff, county recorder, and county attorney, and coroner. The terms of office of these officers shall be four years and shall begin on the*

first Monday in January next succeeding their election. They shall hold office until their successors are elected and qualified. These offices shall be filled by election every four years thereafter.

*Subd. 2. [APPOINTMENT; REFERENDUM.] The offices of county auditor, county treasurer, county recorder and coroner, any successor or combined office, or any other county office except sheriff and county attorney which before January 1, 1994, was an elective office, shall be filled by appointment of the county board, and the officeholder shall serve at the pleasure of the county board. If a petition signed by at least ten percent of the registered voters of the county voting in the last general election is presented to the county board not less than 60 days before the first day of filing an affidavit of candidacy for the next general election, requesting that an election be held for an office or offices enumerated in this subdivision, the county board shall by resolution order that an election be held for that office or offices. If an election is held, the term of office shall be as provided in subdivision 1 and the county board at the expiration of the term of office shall appoint a successor who would serve at the pleasure of the county board, unless another petition is presented to the county board.*

Sec. 2. Minnesota Statutes 1992, section 382.02, is amended to read:

**382.02 [VACANCIES, HOW FILLED.]**

Any appointment made to fill a vacancy in any of the offices named in section 382.01, *subdivision 1*, shall be for the balance of ~~such~~ the entire term, and be made by the county board."

Amend the title as follows:

Page 1, line 3, after "offices" insert "in metropolitan area counties"

Page 1, line 5, delete from "section" through page 1, line 6, to "section" and insert "sections 382.01; and"

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

Mr. Mondale, for Mrs. Adkins, from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 2421: A bill for an act relating to local government; prohibiting the adoption of certain zoning ordinances by municipalities and counties; amending Minnesota Statutes 1992, sections 394.25, by adding a subdivision; and 462.357, by adding a subdivision.

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

Page 1, line 14, delete "unless" and insert "if"

Page 2, line 1, delete "unless" and insert "if"

Page 2, after line 8, insert:

"Sec. 3. [366.151] [CERTAIN ORDINANCES; MANUFACTURED HOMES.]

*A town board must not enact, amend, or enforce a zoning ordinance that has the effect of altering the existing density, lot-size requirements, or manufactured home setback requirements in any manufactured home park constructed before January 1, 1995, if the manufactured home park, when constructed, complied with the then existing density, lot-size and setback requirements, or if the manufactured home park did not so comply, the town board nevertheless permitted the construction of the manufactured home park and the manufactured home park has operated for three years without commencement of an enforcement action by the town."*

Amend the title as follows:

Page 1, line 3, delete "and" and insert a comma

Page 1, line 4, before the semicolon, insert ", and towns"

Page 1, line 6, before the period, insert "; proposing coding for new law in Minnesota Statutes, chapter 366"

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

Mr. Mondale, for Mrs. Adkins, from the Committee on Metropolitan and Local Government, to which was referred

H.F. No. 1955: A bill for an act relating to Wright county; permitting the transfer of a sheltered workshop facility to its operator without bids or consideration.

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

Ms. Piper from the Committee on Family Services, to which was referred the following appointment as reported in the Journal for February 22, 1994:

DEPARTMENT OF HUMAN SERVICES  
COMMISSIONER

Maria R. Gomez

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

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

Mr. Solon from the Committee on Commerce and Consumer Protection, to which was re-referred

S.F. No. 2192: A bill for an act relating to health; MinnesotaCare; establishing and regulating community integrated service networks; defining terms; creating a reinsurance and risk adjustment association; classifying data; requiring reports; mandating studies; modifying provisions relating to the regulated all-payer option; requiring administrative rulemaking; setting time-lines and requiring plans for implementation; designating essential community providers; establishing an expedited fact finding and dispute resolution process; requiring proposed legislation; establishing task forces; providing for

demonstration models; mandating universal coverage; requiring insurance reforms; providing grant programs; establishing the Minnesota health care administrative simplification act; implementing electronic data interchange standards; creating the Minnesota center for health care electronic data interchange; providing standards for the Minnesota health care identification card; appropriating money; providing penalties; amending Minnesota Statutes 1992, sections 60A.15, subdivision 1; 62A.303; 62D.04, by adding a subdivision; 62E.02, subdivisions 10, 18, 20, and 23; 62E.10, subdivisions 1, 2, and 3; 62E.141; 62E.16; 62J.03, by adding a subdivision; 62L.02, subdivisions 9, 13, 17, 24, and by adding subdivisions; 62L.03, subdivision 1; 62L.05, subdivisions 1, 5, and 8; 62L.08, subdivisions 2, 5, 6, and 7; 62L.12; 62L.21, subdivision 2; 62M.02, subdivisions 5 and 21; 62M.03, subdivisions 1, 2, and 3; 62M.05, subdivision 3; 62M.06, subdivision 3; 62M.09, subdivision 5; and 295.50, by adding subdivisions; Minnesota Statutes 1993 Supplement, sections 43A.317, by adding a subdivision; 60K.14, subdivision 7; 61B.20, subdivision 13; 62A.011, subdivision 3; 62A.65, subdivisions 2, 3, 4, 5, and by adding a subdivision; 62D.12, subdivision 17; 62J.03, subdivision 6; 62J.04, subdivisions 1 and 1a; 62J.09, subdivision 2; 62J.33, by adding subdivisions; 62J.35, subdivisions 2 and 3; 62J.38; 62J.41, subdivision 2; 62J.45, by adding subdivisions; 62L.02, subdivisions 8, 11, 15, 16, 19, and 26; 62L.03, subdivisions 3, 4, and 5; 62L.04, subdivision 1; 62L.08, subdivisions 4 and 8; 62N.01; 62N.02, subdivisions 1, 8, and by adding a subdivision; 62N.06, subdivision 1; 62N.065, subdivision 1; 62N.10, subdivisions 1 and 2; 62N.22; 62N.23; 62P.01; 62P.03; 62P.04; 62P.05; 144.1486; 151.21, subdivisions 7 and 8; 256.9352, subdivision 3; 256.9356, subdivision 3; 256.9657, subdivision 3; 295.50, subdivisions 3, 4, and 12b; 295.52, subdivision 5; 295.53, subdivisions 1, 2, and 5; 295.54; 295.58; and 295.582; proposing coding for new law in Minnesota Statutes, chapters 62A; 62J; 62N; and 62P; proposing coding for new law as Minnesota Statutes, chapter 62Q; repealing Minnesota Statutes 1992, sections 62A.02, subdivision 5; 62E.51; 62E.52; 62E.53; 62E.531; 62E.54; 62E.55; and 256.362, subdivision 5; Minnesota Statutes 1993 Supplement, sections 62J.04, subdivision 8; 62N.07; 62N.075; 62N.08; 62N.085; and 62N.16.

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

Pages 6 and 7, delete section 6 and insert:

“Sec. 6. [62N.255] [EXPANDED PROVIDER NETWORKS.]

*Subdivision 1. [PROVIDER ACCEPTANCE REQUIRED.] Every community network shall establish an expanded network of allied independent health providers, in addition to a preferred network. A community network shall accept as a provider in the expanded network any allied independent health provider who: (1) meets the community network's credentialing standards; (2) agrees to the terms of the community network's provider contract; and (3) agrees to comply with all managed care protocols of the community network.*

*Subd. 2. [MANAGED CARE.] The managed care protocols used by the community network may include: (1) a requirement that an enrollee obtain a referral from the community network, before obtaining services from an allied independent health provider in the expanded network; (2) limits on the number and length of visits to allied independent health providers in the expanded network allowed by each referral, as long as the number and length of visits allowed is not less than the number and length allowed for*

comparable referrals to allied independent health providers in the preferred network; and (3) ongoing management and review by the community network of the care provided by an allied independent health provider in the expanded network after a referral is made.

Subd. 3. [MANDATORY OFFERING TO ENROLLEES.] Each community network shall offer to enrollees the option of receiving covered services through the expanded network of allied independent health providers established under subdivisions 1 and 2. The network may establish separate premium rates and cost-sharing requirements for this expanded network plan, as long as these premium rates and cost-sharing requirements are actuarially justified and approved by the commissioner.

Subd. 4. [PROVIDER REIMBURSEMENT.] A community network shall pay each allied independent health provider in the expanded network the same rate as paid to allied independent health providers in the preferred network.

Subd. 5. [DEFINITIONS.] (a) For purposes of this section, the following definitions apply.

(b) "Allied independent health provider" means an independently enrolled audiologist, chiropractor, dietitian, home health care provider, marriage and family therapist, nurse practitioner or advanced practice nurse, occupational therapist, optometrist, optician, outpatient chemical dependency counselor, pharmacist who is not employed by and based on the premises of a community network, physical therapist, podiatrist, licensed consulting psychologist, psychological practitioner, licensed social worker, or speech therapist.

(c) "Home health care provider" means a personal care assistant, home health aide, or a provider of homemaker, respite care, adult day care, or home health nursing services.

(d) "Independently enrolled" means that a provider can bill, and receive direct payment for services from, a third-party payer or patient.

Subd. 6. [EXEMPTION.] A community network that meets the definition of a staff model health plan company in section 295.50, subdivision 12b, is exempt from the requirements of this section."

Page 13, line 27, after "networks" insert "or health carriers"

Page 14, line 17, delete "gross premium revenues" and insert "average annual premiums on health plans as defined in section 62A.011. The total of all such surcharges upon a community network or health carrier shall not, in any one calendar year, exceed two percent of the community network's or health carrier's average annual premium in this state on health plans as defined in section 62A.011"

Page 15, line 24, delete "may" and insert "will"

Page 15, line 26, delete "The standards may require that"

Page 15, line 27, after "networks" insert "must"

Page 15, line 29, delete "may" and insert "must"

Page 18, line 35, delete "those" and insert "any"

Page 29, delete line 5

Page 29, line 6, delete everything before "persons" and insert "individuals within certain racial, cultural, and ethnic communities; individuals with low income; adolescents; the elderly; individuals with limited or no English language proficiency;"

Page 30, delete section 22

Page 30, delete section 24 and insert:

"Sec. 23. [62Q.15] [STANDARD POLICY TERMS.]

*The termination of any health plan as defined in section 62A.011, subdivision 3, with the exception of individual health plans, issued or renewed after January 1, 1995, must provide coverage until the end of the month in which coverage was terminated."*

Page 31, delete line 8 and insert:

*"Sections 1 to 7, 9 to 18, 20, 21, and 23 are effective July 1, 1994.*

*Sections 8, 19, 22, and 24 are effective the day following final enactment."*

Renumber the sections of article 2 in sequence

Page 49, delete line 13 and insert:

*"Sections 1 to 3 and 6 are effective July 1, 1994.*

*Sections 4, 5, 7 to 17, and 19 to 21 are effective the day following final enactment.*

*Section 18 is effective July 1, 1997."*

Page 52, line 22, delete "unduly"

Page 53, line 7, before "The" insert "By January 1, 1996,"

Page 53, line 9, after the period, insert "The commissioner shall also identify and address any conflict of interest issues regarding essential community provider designation for local governments."

Page 53, line 27, delete "commissioner," and insert "commissioners of health and commerce,"

Page 53, line 29, delete "commissioners of commerce and" and insert "commissioner of"

Page 53, lines 32 and 34, delete "commissioner" and insert "commissioners"

Page 54, line 8, delete "commissioner" and insert "commissioners"

Page 54, line 22, after "regarding" insert "the" and after "services" insert "other than dental services"

Page 54, line 25, after the period, insert "The committee shall report these recommendations to the commissioner by October 1, 1994."

Page 54, line 31, after the period, insert "In its analysis the committee shall study the quality and cost-effectiveness of dental services delivered through capitated dental networks, discounted dental preferred provider organizations, and independent practice dentistry."

Page 57, delete line 12 and insert:

*"Sections 1, 3, and 7 are effective July 1, 1994.*

*Sections 2 and 8 are effective July 1, 1996.*

*Section 4 is effective the day following final enactment.*

*Sections 5 and 6 are effective July 1, 1997."*

Page 60, delete line 23 and insert:

*"Sections 1 to 7 are effective the day following final enactment."*

Page 64, line 16, delete "group" and after "health" insert "benefit"

Page 64, line 17, delete "or other group sponsors"

Page 69, delete line 27 and insert:

*"Sections 1 and 4 to 9 are effective the day following final enactment.*

*Sections 2 and 3 are effective July 1, 1994."*

Page 71, line 2, before "Community" insert "County board or"

Page 73, delete line 34 and insert:

*"Sections 1 to 8 are effective the day following final enactment."*

Page 84, line 22, reinstate the stricken language

Page 84, line 23, delete ", or 62J.45"

Page 95, after line 26, insert:

**"Sec. 28. [144.1492] [STATE RURAL HEALTH NETWORK REFORM INITIATIVE.]**

*Subdivision 1. [PURPOSE AND MATCHING FUNDS.] The commissioner of health shall apply for federal grant funding under the state rural health network reform initiative, a health care financing administration program to provide grant funds to states to encourage innovations in rural health financing and delivery systems. The commissioner may use state funds appropriated to the department of health for the provision of technical assistance for community integrated service network development as matching funds for the federal grant.*

*Subd. 2. [USE OF FEDERAL FUNDS.] If the department of health receives federal funding under the state rural health network reform initiative, the department shall use these funds to implement a program to provide technical assistance and grants to rural communities to establish health care networks and to develop and test a rural health network reform model.*

*Subd. 3. [ELIGIBLE APPLICANTS AND CRITERIA FOR AWARDING OF GRANTS TO RURAL COMMUNITIES.] (a) Funding which the department receives to award grants to rural communities to establish health care networks shall be awarded through a request for proposals process. Planning grant funds may be used for community facilitation and initial network development activities including incorporation as a nonprofit organization or cooperative, assessment of network models, and determination of the best fit for the community. Implementation grant funds can be used to enable incorporated nonprofit organizations and cooperatives to purchase technical*

services needed for further network development such as legal, actuarial, financial, marketing, and administrative services.

(b) In order to be eligible to apply for a planning or implementation grant under the federally funded health care network reform program, an organization must be located in a rural area of Minnesota excluding the seven-county Twin Cities metropolitan area and the census-defined urbanized areas of Duluth, Rochester, St. Cloud, and Moorhead. The proposed network organization must also meet or plan to meet the criteria for a community integrated service network.

(c) In determining which organizations will receive grants, the commissioner may consider the following factors:

(1) the applicant's description of their plans for health care network development, their need for technical assistance, and other technical assistance resources available to the applicant. The applicant must clearly describe the service area to be served by the network, how the grant funds will be used, what will be accomplished, and the expected results. The applicant should describe achievable objectives, a timetable, and roles and capabilities of responsible individuals and organizations;

(2) the extent of community support for the applicant and the health care network. The applicant should demonstrate support from private and public health care providers in the service area, local community and government leaders, and the regional coordinating board for the area. Evidence of such support may include a commitment of financial support, in-kind services, or cash, for development of the network;

(3) the size and demographic characteristics of the population in the service area for the proposed network and the distance of the service area from the nearest metropolitan area; and

(4) the technical assistance resources available to the applicant from nonstate sources and the financial ability of the applicant to purchase technical assistance services with nonstate funds."

Page 98, line 8, delete "30, and 31" and insert "31, and 32"

Page 98, lines 9 and 10, delete "29, 32, and 33" and insert "30, 33, and 34"

Renumber the sections of article 8 in sequence

Page 114, line 16, strike ", or"

Page 114, line 17, strike "offering to sell,"

Page 122, after line 13, insert:

"Sec. 11. Minnesota Statutes 1993 Supplement, section 62A.65, is amended by adding a subdivision to read:

Subd. 8. [CESSATION OF INDIVIDUAL BUSINESS.] Notwithstanding the provisions of subdivisions 1 to 7, a health carrier may elect to cease doing business in the individual market if it complies with the requirements of this subdivision. A health carrier electing to cease doing business in the individual market shall notify the commissioner 180 days prior to the effective date of the cessation. The cessation of business does not include the failure of a health carrier to offer or issue new business in the individual market or continue an existing product line, provided that a health carrier does not terminate,

*cancel, or fail to renew its current individual business or other product lines. A health carrier electing to cease doing business in the individual market shall provide 120 days' written notice to each policyholder covered by a health benefit plan issued by the health carrier. A health carrier that ceases to write new business in the individual market shall continue to be governed by this section with respect to continuing individual business conducted by the carrier. A health carrier that ceases to do business in the individual market after July 1, 1994, is prohibited from writing new business in the individual market in this state for a period of five years from the date of notice to the commissioner. This subdivision applies to any health maintenance organization that ceases to do business in the individual market in one service area with respect to that service area only. Nothing in this subdivision prohibits an affiliated health maintenance organization from continuing to do business in the individual market in that same service area."*

Page 122, line 19, strike "or"

Page 122, line 20, strike "offering to sell"

Page 144, line 30, after "11" insert a comma

Page 144, lines 34 and 35, delete "14 to 25, 27 to 28, 30 to 39, and 41 to 44" and insert "15 to 26, 28, 29, 31 to 40, and 42 to 45"

Page 144, line 36, delete "and 11" and insert ", 11, and 12"

Page 145, line 1, delete "12, 13, 26, 29, and 40" and insert "13, 14, 27, 30, and 41"

Renumber the sections of article 10 in sequence

Page 153, after line 32, insert:

"Sec. 14. [EFFECTIVE DATE.]

*Sections 1, 4, 6, and 9 are effective the day following final enactment.*

*Section 2 is effective July 1, 1994.*

*Sections 3, 5, 7, 8, and 10 to 13 are retroactively effective from January 1, 1994."*

Amend the title as follows:

Page 1, line 37, delete "a subdivision" and insert "subdivisions"

Page 2, line 7, delete "and"

Page 2, line 8, after "62P;" insert "and 144;"

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

## SECOND READING OF SENATE BILLS

S.F. Nos. 1662, 1896, 1990, 2274, 2460, 2383, 2260, 1848, 1847, 2199, 2297, 2197, 1975, 2042, 2350, 2009, 1845, 1903, 2040, 1895, 1931, 1966, 943 and 2421 were read the second time.

## SECOND READING OF HOUSE BILLS

H.F. Nos. 1890 and 1955 were read the second time.

**MOTIONS AND RESOLUTIONS**

Mr. Stumpf moved that his name be stricken as a co-author to S.F. No. 2023. The motion prevailed.

Mr. Dille moved that the name of Mrs. Pariseau be added as a co-author to S.F. No. 2023. The motion prevailed.

Ms. Kiscaden moved that her name be stricken as a co-author to S.F. No. 2094. The motion prevailed.

Mr. Beckman moved that the name of Mr. Finn be added as a co-author to S.F. No. 2280. The motion prevailed.

Ms. Krentz moved that the name of Ms. Berglin be added as a co-author to S.F. No. 2461. The motion prevailed.

Ms. Krentz moved that the name of Ms. Berglin be added as a co-author to S.F. No. 2485. The motion prevailed.

Mr. Neuville moved that the name of Mr. Beckman be added as a co-author to S.F. No. 2513. The motion prevailed.

Mr. Finn moved that the name of Mr. Moe, R.D. be added as a co-author to S.F. No. 2600. The motion prevailed.

Ms. Johnson, J.B. moved that the name of Mr. Beckman be added as a co-author to S.F. No. 2604. The motion prevailed.

Ms. Piper moved that the name of Mr. Hottinger be added as a co-author to S.F. No. 2621. The motion prevailed.

Mr. Riveness moved that the name of Mr. Hottinger be added as a co-author to S.F. No. 2624. The motion prevailed.

Ms. Krentz moved that the name of Ms. Robertson be added as a co-author to S.F. No. 2632. The motion prevailed.

Ms. Krentz moved that the names of Messrs. Laidig and Chandler be added as co-authors to S.F. No. 2633. The motion prevailed.

Mr. Sams moved that the name of Mr. Stevens be added as a co-author to S.F. No. 2638. The motion prevailed.

Ms. Berglin moved that S.F. No. 2130 be withdrawn from the Committee on Health Care and re-referred to the Committee on Judiciary. The motion prevailed.

Mr. Vickerman moved that S.F. No. 2350, on the Consent Calendar, be stricken and returned to its author. The motion prevailed.

Ms. Krentz moved that S.F. No. 2572 be withdrawn from the Committee on Health Care and re-referred to the Committee on Family Services. The motion prevailed.

Mr. Metzen moved that S.F. No. 1950, No. 7 on General Orders, be stricken and re-referred to the Committee on Governmental Operations and Reform. The motion prevailed.

**INTRODUCTION AND FIRST READING OF SENATE BILLS**

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

Messrs. Mondale, Pogemiller, Ms. Pappas and Mr. Riveness introduced—

S.F. No. 2646: A bill for an act relating to education; advancing metropolitan area school desegregation; creating a voluntary interdistrict coordinating council to coordinate metropolitan-wide school desegregation; directing the metropolitan council to adopt a long-range comprehensive policy plan for metropolitan area school desegregation; providing a variety of staff development incentives; establishing a metropolitan magnet school grant program; allowing interdistrict desegregation transfers under open enrollment; establishing a metropolitan desegregation financing act; increasing compensatory revenue; expanding transportation for school desegregation/integration; appropriating money; amending Minnesota Statutes 1992, sections 120.062, by adding subdivisions; 124.17, subdivision 1d; 124.223, subdivision 1; 124.278, subdivision 1; 125.188, subdivision 1; 126.69, subdivisions 1 and 3; and 129C.10, by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 121.11, subdivision 7d; 124.225, subdivision 1; 124A.29, subdivision 1; 125.138, subdivision 9; 125.231, subdivisions 1 and 4; 125.623, subdivision 3; and 126.70, subdivisions 1 and 2a; Laws 1993, chapter 224, article 8, sections 20, subdivision 2; and 22, subdivision 12; proposing coding for new law in Minnesota Statutes, chapters 121; 124A; 124C; and 473; repealing Minnesota Statutes 1993 Supplement, section 120.062, subdivision 5.

Referred to the Committee on Education.

Mr. Kroening and Ms. Flynn introduced—

S.F. No. 2647: A bill for an act relating to local government; giving the Minneapolis school district and the municipal building commission the same authority as the city of Minneapolis to negotiate certain trade and craft contracts; amending Laws 1988, chapter 471, sections 1 and 2.

Referred to the Committee on Metropolitan and Local Government.

Mr. Solon introduced—

S.F. No. 2648: A bill for an act relating to real property; requiring information concerning certain building code violations by residential contractors, remodelers, and specialty contractors in the metropolitan area to be reported and disclosed; imposing a penalty; providing for voidable contracts and restitution; proposing coding for new law in Minnesota Statutes, chapter 326.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Solon introduced—

S.F. No. 2649: A bill for an act relating to commerce; residential building contractors and remodelers; regulating certain coverage disclosures in loan agreements; amending Minnesota Statutes 1993 Supplement, section 326.951.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Langseth introduced—

S.F. No. 2650: A bill for an act relating to alcoholic beverages; authorizing the Clay county board to issue one off-sale intoxicating liquor license.

Referred to the Committee on Commerce and Consumer Protection.

Mr. McGowan introduced—

S.F. No. 2651: A bill for an act relating to crimes; enhancing penalty to gross misdemeanor for refusing to submit to testing to determine if violator is driving under influence of alcohol or controlled substance, when child under age of 16 is in vehicle; amending Minnesota Statutes 1993 Supplement, section 169.121, subdivision 3.

Referred to the Committee on Crime Prevention.

Mr. Sams, Ms. Berglin, Mr. Samuelson, Ms. Piper and Mr. Benson, D.D. introduced—

S.F. No. 2652: A bill for an act relating to insurance; requiring that coverage of prescription drugs cover drugs prescribed by any person permitted by law to prescribe; proposing coding for new law in Minnesota Statutes, chapter 62A.

Referred to the Committee on Commerce and Consumer Protection.

Messrs. Morse, Mondale, Lessard, Merriam and Laidig introduced—

S.F. No. 2653: A bill for an act relating to the environment; toxic pollution prevention act; changing the definition of persons eligible for grants; changing fee requirements; amending Minnesota Statutes 1992, sections 115D.03, subdivision 5; 115D.05; and 115D.08, subdivision 1; Minnesota Statutes 1993 Supplement, section 115D.12, subdivision 2.

Referred to the Committee on Environment and Natural Resources.

Messrs. Morse, Price, Riveness, Finn and Chandler introduced—

S.F. No. 2654: A bill for an act relating to the environment; requiring a person that generates electricity for distribution and use in the state and that sells air pollution credits to use the proceeds of the sale for reducing air emissions or providing better control of air emissions; proposing coding for new law in Minnesota Statutes, chapter 216B.

Referred to the Committee on Environment and Natural Resources.

Messrs. Chandler, Novak and Riveness introduced—

S.F. No. 2655: A bill for an act relating to education; restoring intermediate school districts and their funding for fiscal year 1996 and thereafter; amending Minnesota Statutes 1993 Supplement, section 124.2727, subdivision 6; Laws 1992, chapter 499, article 6, section 39, subdivision 3.

Referred to the Committee on Education.

Messrs. Johnson, D.J.; Solon; Johnson, D.E. and Ms. Piper introduced—

S.F. No. 2656: A bill for an act relating to health; providing grants to establish and maintain health care access offices; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 144.

Referred to the Committee on Health Care.

Messrs. Mondale, Metzen, Ms. Wiener, Messrs. Riveness and Terwilliger introduced—

S.F. No. 2657: A bill for an act relating to state and local government; establishing a process for increasing public access to government information and services through information technology; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 15.

Referred to the Committee on Governmental Operations and Reform.

Ms. Runbeck and Mr. Oliver introduced—

S.F. No. 2658: A bill for an act relating to occupations and professions; board of medical practice; providing for reinstatement of revoked licenses; amending Minnesota Statutes 1993 Supplement, sections 147.02, subdivision 1; and 147.037, subdivision 1.

Referred to the Committee on Health Care.

Ms. Runbeck and Mr. Laidig introduced—

S.F. No. 2659: A bill for an act relating to education; modifying general education revenue formula allowance; modifying the earmark of general education revenue for staff development; appropriating money; amending Minnesota Statutes 1993 Supplement, sections 124A.22, subdivision 2; and 124A.29, subdivision 1; Laws 1993, chapter 224, article 1, section 41, subdivision 2.

Referred to the Committee on Education.

Ms. Pappas introduced—

S.F. No. 2660: A bill for an act relating to Ramsey county; providing for funding the maintenance of turnback roads in Ramsey county; amending Minnesota Statutes 1992, section 383A.16, subdivision 2, and by adding subdivisions; repealing Minnesota Statutes 1992, section 383A.16, subdivision 1.

Referred to the Committee on Transportation and Public Transit.

Mr. Hottinger, Ms. Anderson, Messrs. Finn and Marty introduced—

S.F. No. 2661: A bill for an act relating to health; prohibiting certain organizational mergers or acquisitions; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 62J.

Referred to the Committee on Health Care.

Mr. Price introduced—

S.F. No. 2662: A bill for an act relating to corrections; prohibiting correctional inmates from applying for name changes more than once a year; proposing coding for new law in Minnesota Statutes, chapter 259.

Referred to the Committee on Crime Prevention.

Mr. Merriam introduced—

S.F. No. 2663: A bill for an act relating to public employees; prohibiting reemployment of certain early retirees; amending Minnesota Statutes 1992, section 356.70, by adding a subdivision.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Neuville, McGowan, Stevens, Laidig and Belanger introduced—

S.F. No. 2664: A bill for an act relating to crime; prohibiting prosecutors from entering into plea or sentence negotiation agreements in certain cases involving the use or possession of a firearm; amending Minnesota Statutes 1993 Supplement, section 609.11, subdivision 7.

Referred to the Committee on Crime Prevention.

Mr. Beckman introduced—

S.F. No. 2665: A bill for an act relating to crime prevention; authorizing spending to make improvements of a capital nature to state correctional institutions; authorizing issuance of bonds; appropriating money.

Referred to the Committee on Crime Prevention.

Mr. Beckman introduced—

S.F. No. 2666: A bill for an act relating to education; directing the state board of education to include in the high school graduation rule the requirements for certificates of initial and advanced mastery that indicate academic and occupational competencies; making a certificate of initial mastery a precondition to participating in certain education programs; precluding students from seeking employment without the certificate of initial mastery; requiring recommendations; appropriating money; amending Minnesota Statutes 1992, section 121.11, by adding a subdivision.

Referred to the Committee on Education.

Mr. Beckman introduced—

S.F. No. 2667: A bill for an act relating to capital improvements; appropriating money for the farmland wildlife populations and research center; authorizing the sale of state bonds.

Referred to the Committee on Environment and Natural Resources.

Mr. Kroening introduced—

S.F. No. 2668: A bill for an act relating to public administration; authorizing spending to make public improvements of a capital nature; authorizing issuance of bonds; authorizing assessment of debt service; appropriating money.

Referred to the Committee on Jobs, Energy and Community Development.

Messrs. Pogemiller, Metzen, Terwilliger, Langseth and Cohen introduced—

S.F. No. 2669: A bill for an act relating to public employment; establishing a public employees insurance cooperative task force; appropriating money.

Referred to the Committee on Governmental Operations and Reform.

Mr. Janezich introduced—

S.F. No. 2670: A bill for an act relating to education; modifying provisions governing guaranteed energy savings contracts; amending Minnesota Statutes 1992, section 124.85, as amended.

Referred to the Committee on Education.

Mr. Lessard introduced—

S.F. No. 2671: A bill for an act relating to Itasca county; permitting the county board to submit a question to nonbinding referendum.

Referred to the Committee on Ethics and Campaign Reform.

Mr. Day introduced—

S.F. No. 2672: A bill for an act relating to coroners; providing for exemption from educational requirements in certain circumstances; amending Minnesota Statutes 1992, section 390.005, subdivision 3.

Referred to the Committee on Metropolitan and Local Government.

Mr. Stevens, Ms. Johnston, Messrs. Larson, Day and Oliver introduced—

S.F. No. 2673: A bill for an act relating to state government; providing for the size of the legislature; providing conditions for the organization of legislative committees; providing term limits; proposing an amendment to the Minnesota Constitution, articles IV, section 4; and V, sections 2 and 4; amending Minnesota Statutes 1992, section 2.021; proposing coding for new law in Minnesota Statutes, chapter 3.

Referred to the Committee on Ethics and Campaign Reform.

Mrs. Benson, J.E.; Ms. Robertson, Messrs. Knutson, Pogemiller and Ms. Olson introduced—

S.F. No. 2674: A bill for an act relating to education; reviving rules related to school social worker licensure; amending Laws 1993, chapter 224, article 12, section 39.

Referred to the Committee on Education.

Messrs. Kelly, Cohen, Ms. Pappas, Mr. Chandler and Ms. Anderson introduced—

S.F. No. 2675: A bill for an act relating to cities; St. Paul; appropriating money for St. Paul civic center expansion; authorizing the sale of state bonds.

Referred to the Committee on Jobs, Energy and Community Development.

Mr. Beckman introduced—

S.F. No. 2676: A bill for an act relating to education; authorizing borrowing for school districts for certain asbestos removal or abatement projects; proposing coding for new law in Minnesota Statutes, chapter 124.

Referred to the Committee on Education.

Messrs. Sams, Murphy, Bertram, Dille and Vickerman introduced—

S.F. No. 2677: A bill for an act relating to real property; providing for the “property rights preservation act”; proposing coding for new law as Minnesota Statutes, chapter 117A.

Referred to the Committee on Judiciary.

Mr. Pogemiller introduced—

S.F. No. 2678: A bill for an act relating to retirement; Minneapolis employees retirement fund; amending Minnesota Statutes 1992, sections 356.215, subdivision 4d; 422A.05, subdivision 2c, and by adding a subdivision; 422A.101, subdivision 3; 422A.13, subdivision 2; 422A.16, subdivisions 1, 7, and 9; 422A.23, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 422A.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Pogemiller, Kelly, Ms. Ranum, Messrs. Beckman and McGowan introduced—

S.F. No. 2679: A bill for an act relating to corrections; establishing the right step academy for African-American youths as an alternative to incarceration; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 244.

Referred to the Committee on Crime Prevention.

Mr. Langseth introduced—

S.F. No. 2680: A bill for an act relating to highways; changing mileage limitation for municipal state-aid streets; amending Minnesota Statutes 1992, section 162.09, subdivision 1.

Referred to the Committee on Transportation and Public Transit.

Mr. Metzen introduced—

S.F. No. 2681: A bill for an act relating to the city of South St. Paul; authorizing the extension of the duration of a tax increment financing district.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Riveness, Metzen, Sams, Hottinger and Benson, D.D. introduced—

S.F. No. 2682: A bill for an act relating to occupations and professions; professional licensing; permitting a court to make findings of fact at a sentencing hearing on whether a conviction directly relates to a license or position of public employment sought or held by a convicted person; regulating disciplinary actions by licensing boards; describing admissibility of certain evidence in contested case hearings; amending Minnesota Statutes 1992, section 364.03, subdivisions 1, 2, 3, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 214.

Referred to the Committee on Commerce and Consumer Protection.

Mses. Anderson, Piper, Mr. Kelly, Ms. Berglin and Mr. Vickerman introduced—

S.F. No. 2683: A bill for an act relating to human services; directing the commissioner to establish an outreach program to inform potential recipients of the existence of the food stamp program; appropriating money; amending Minnesota Statutes 1992, section 256.01, subdivision 11.

Referred to the Committee on Family Services.

Messrs. Knutson, Pogemiller, Mrs. Pariseau and Ms. Wiener introduced—

S.F. No. 2684: A bill for an act relating to education; reviving rules related to school nurse licensure; amending Laws 1993, chapter 224, article 12, section 39.

Referred to the Committee on Education.

Messrs. Berg, Janezich and Bertram introduced—

S.F. No. 2685: A bill for an act relating to lawful gambling; regulating the conduct of lawful gambling; appropriating money; amending Minnesota Statutes 1992, sections 299L.02, subdivision 5, and by adding a subdivision; 349.12, subdivision 18; 349.13; 349.151, subdivision 4; and 349.211, subdivision 2a.

Referred to the Committee on Gaming Regulation.

Mr. Berg introduced—

S.F. No. 2686: A bill for an act relating to capital improvements; authorizing issuance of bonds and appropriating money for Lac qui Parle wildlife management area; appropriating money for a study by pollution control agency and for the commissioner of natural resources to plan headquarters building and interpretive center at Lac qui Parle state park.

Referred to the Committee on Environment and Natural Resources.

Messrs. Chandler, Morse, Ms. Johnson, J.B. and Mr. Merriam introduced—

S.F. No. 2687: A bill for an act relating to forests; modifying and expanding responsibilities of the department of natural resources and counties with respect to management of forest resources; appropriating money; amending Minnesota Statutes 1992, sections 89.001, subdivisions 8, 9, 10, and by adding subdivisions; 89.002, subdivision 1; 89.01, subdivision 1, and by adding subdivisions; 89.011, subdivisions 2, 3, and 4; 89.012; 90.041, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 282.

Referred to the Committee on Environment and Natural Resources.

### MEMBERS EXCUSED

Mrs. Adkins, Messrs. Day, Johnson, D.J., McGowan, Neuville and Samuelson were excused from the Session of today.

**ADJOURNMENT**

Mr. Moe, R.D. moved that the Senate do now adjourn until 10:00 a.m., Monday, March 21, 1994. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate