

## EIGHTY-SIXTH DAY

St. Paul, Minnesota, Friday, April 8, 1994

The Senate met at 8:00 a.m. and was called to order by the President.

### CALL OF THE SENATE

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

Prayer was offered by the Chaplain, Monsignor Ambrose V. Hayden.

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

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

The President declared a quorum present.

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

### EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communication was received.

April 6, 1994

The Honorable Irv Anderson  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1994 Session of the State Legislature have been received from the Office of the

Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Time and Date Approved 1994	Date Filed 1994
2383		387	11:22 a.m. April 6	April 6
2086		389	11:24 a.m. April 6	April 6
	2090	390	11:27 a.m. April 6	April 6
	1906	391	11:30 a.m. April 6	April 6
	1845	392	11:32 a.m. April 6	April 6
2274		393	11:27 a.m. April 6	April 6

Sincerely,  
Joan Anderson Growe  
Secretary of State

### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S.F. Nos. 2267, 1825, 2070 and 2672.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 7, 1994

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. 819: A bill for an act relating to telephone services; prohibiting collection of charges for information services as if they were charges for telephone services; providing for notice of certain call blocking options; amending Minnesota Statutes 1992, section 237.66; by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 325F.

Senate File No. 819 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 7, 1994

### CONCURRENCE AND REPASSAGE

Ms. Johnson, J.B. moved that the Senate concur in the amendments by the House to S.F. No. 819 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 819 was read the third time, as amended by the House, and placed on its repassage.

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

The roll was called, and there were yeas 56 and nays 0, as follows:

Those who voted in the affirmative were:

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

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

### MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

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

S.F. No. 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; imposing a penalty for displaying invalid driver's license as being valid; 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.

There has been appointed as such committee on the part of the House:

McCollum, Osthoff and Lieder.

Senate File No. 2260 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 7, 1994

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 2248:

H.F. No. 2248: A bill for an act relating to agriculture; changing certain

pesticide posting requirements; amending Minnesota Statutes 1992, section 18B.07, subdivision 3.

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

Gutknecht, Dauner and Davids have been appointed as such committee on the part of the House.

House File No. 2248 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 7, 1994

Mr. Benson, D.D. moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 2248, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 1921, 2013, 2493, 2626, 3120, 1999, 2796, 2405, 2617 and 2658.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 7, 1994

### FIRST READING OF HOUSE BILLS

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

H.F. No. 1921: A bill for an act relating to retirement; increasing employee contribution rates and benefit computation formulas for the teachers retirement fund; amending Minnesota Statutes 1992, sections 354.42, subdivision 2; and 354.44, subdivision 6.

Referred to the Committee on Finance.

H.F. No. 2013: A bill for an act relating to public employment; correcting unintended omissions from previous early retirement legislation; ratifying certain prior payments.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1908, now on General Orders.

H.F. No. 2493: A bill for an act relating to agriculture; changing the law on nuisance liability of agricultural operations; amending Minnesota Statutes 1992, section 561.19, subdivisions 1 and 2.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2247, now on General Orders.

H.F. No. 2626: A bill for an act relating to retirement; authorizing purchase of prior service credit from the teachers retirement association by a certain member.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2432, now on General Orders.

H.F. No. 3120: A bill for an act relating to military affairs; expediting payment to forces ordered to active duty; amending Minnesota Statutes 1992, section 192.52.

Referred to the Committee on Finance.

H.F. No. 1999: A bill for an act relating to insurance; requiring disclosure of information relating to insurance fraud; granting immunity for reporting suspected insurance fraud; requiring insurers to develop antifraud plans; prescribing penalties; proposing coding for new law in Minnesota Statutes, chapter 60A.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1784, now on General Orders.

H.F. No. 2796: A bill for an act relating to the environment; toxic pollution prevention act; adding definitions; clarifying applicability; modifying the schedule for submitting plans and reports; amending Minnesota Statutes 1992, sections 115D.03, subdivision 5, and by adding a subdivision; 115D.05; and 115D.08, subdivision 1; Minnesota Statutes 1993 Supplement, sections 115D.07, subdivision 1; and 115D.12, subdivision 2.

Referred to the Committee on Finance.

H.F. No. 2405: A bill for an act relating to retirement; making various administrative and minor substantive changes in the laws governing the Minnesota state retirement system, the public employees retirement association, the teachers retirement association, and police and firefighters retirement law; requiring disclosure of certain investment information; amending Minnesota Statutes 1992, sections 352.01, subdivisions 11 and 13; 352.029, subdivision 1, and by adding subdivisions; 352.04, subdivisions 2 and 3; 352.119, by adding a subdivision; 352B.265; 352D.04, subdivision 2; 353.03, subdivisions 1 and 3a; 354.05, subdivisions 2, 21, 22, 35, and by adding subdivisions; 354.06, subdivisions 2a and 4; 354.071, subdivision 5; 354.091; 354.10, subdivisions 1 and 2; 354.41, subdivision 4, and by adding subdivisions; 354.42, subdivisions 3 and 5; 354.44, subdivisions 1a, 4, and 5a; 354.47; 354.48, subdivision 2; 354.49, subdivision 1; 354.52, subdivisions 2, 2a, 4, and by adding subdivisions; 354.66, subdivisions 2, 3, and by adding a subdivision; and 356.30, subdivision 1; Minnesota Statutes 1993 Supplement, sections 3A.02, subdivision 5; 352.22, subdivision 2; 352.93, subdivision 2a; 352.96, subdivision 4; 352B.08, subdivision 2a; 353.01, subdivisions 10, 12a, 16, and 28; 353.017, subdivisions 1, 3, and by adding subdivisions; 353.27, subdivision 7; 353.37, subdivisions 1, 2, and 4; 353.65, subdivision 3a; 353A.08, subdivision 3; 354.05, subdivision 8; and 354.46, subdivisions 1 and 5; proposing coding for new law in Minnesota Statutes, chapters 354; 356; and 423A; repealing Minnesota Statutes 1992, sections 352.15, subdivision 2; 352D.09, subdivision 6; 354.05, subdivisions 15 and 29; 354.43, subdivision 3; 354.57; 354.65; and 356.18.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2288, now on General Orders.

H.F. No. 2617: A bill for an act relating to alcoholic beverages; defining terms; regulating agreements between brewers and wholesalers; providing for amounts of malt liquor that may be brewed in a brewery-restaurant; providing exemption from law regulating nondiscrimination in liquor wholesaling; prohibiting certain solicitations by wholesalers; allowing only owner of a brand of distilled spirits to register that brand; denying registration to certain brand labels; requiring reports by certain brewers; requiring permits for transporters of distilled spirits and wine; removing requirements that retail licensees be citizens or resident aliens; allowing counties to issue on-sale licenses to hotels; allowing political committees to obtain temporary on-sale licenses; restricting issuance of off-sale licenses to drugstores; allowing counties to issue exclusive liquor store licenses in certain towns; allowing counties to issue wine auction licenses; restricting issuance of temporary on-sale licenses to one organization or for one location; imposing new restrictions on issuance of more than one off-sale license to any person in a municipality; regulating wine tastings; allowing on-sales of intoxicating liquor after 8 p.m. on Christmas eve; allowing certain sales by off-sale retailers to on-sale retailers' restricting use of coupons by retailers, wholesalers, and manufacturers; providing for inspection of premises of temporary on-sale licensees; authorizing issuance of licenses by certain cities and counties; amending Minnesota Statutes 1992, sections 325B.02; 325B.04; 325B.05; 325B.12; 340A.101, subdivision 13; 340A.301, subdivisions 6, 7, and by adding a subdivision; 340A.307, subdivision 4; 340A.308; 340A.311; 340A.404, subdivisions 6 and 10; 340A.405, subdivisions 1, 2, and 4; 340A.410, by adding a subdivision; 340A.412, subdivision 3; 340A.416, subdivision 3; 340A.505; and 340A.907; Minnesota Statutes 1993 Supplement, sections 340A.402; and 340A.415; proposing coding for new law in Minnesota Statutes, chapters 325B; and 340A.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2161, now on General Orders.

H.F. No. 2658: A bill for an act relating to retirement; waiving the annuity reduction for certain faculty in the state university system who return to teaching part-time after retirement; mandating employer-paid health insurance for these faculty; proposing coding for new law in Minnesota Statutes, chapters 136 and 354.

Referred to the Committee on Finance.

## REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted, with the exception of the report pertaining to appointments. The motion prevailed.

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

S.F. No. 2824: A bill for an act relating to ethanol; increasing the cap on ethanol development payments to ethanol producers; extending expiration of payments for ethanol development; increasing minimum oxygen content of gasoline; eliminating tax credit for agricultural alcohol gasoline; amending Minnesota Statutes 1992, sections 41A.09, subdivision 5; and 296.02, subdivision 7; Minnesota Statutes 1993 Supplement, section 41A.09, subdivision 3; and 239.791, subdivision 1.

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

Delete everything after the enacting clause and insert:

“Section 1. [APPROPRIATIONS; SUMMARY.]

Except as otherwise provided in this act, the sums set forth in the columns designated “fiscal year 1994” and “fiscal year 1995” are appropriated from the general fund, or other named fund, to the agencies for the purposes specified in this act and are added to appropriations for the fiscal years ending June 30, 1994, and June 30, 1995, in Laws 1993, chapter 172, or another named law.

SUMMARY BY FUND

	1994	1995
General Fund	\$ 200,000	\$ 3,825,000
Environmental Trust Fund	1,346,000	
Minnesota Future Resources Fund	1,404,000	
TOTAL	\$ 2,950,000	\$ 3,825,000

APPROPRIATIONS  
Available for the Year  
Ending June 30  
1994 1995

Sec. 2. BOARD OF WATER AND SOIL  
RESOURCES

\$ 730,000

This appropriation is added to the appropriation in Laws 1993, chapter 172, section 6. Of this amount, \$600,000 is for local implementation of the state revolving fund, which provides grants to soil and water conservation districts (SWCDs). The SWCDs must use the grants to hire staff to assist landowners to implement a variety of conservation practices. This appropriation is contingent upon passage of enabling legislation to provide financial assistance for clean up of nonpoint source water pollution.

Sec. 3. POLLUTION CONTROL  
AGENCY

1,963,000

(a) Feedlot Assistance and Compliance

1,407,000

This appropriation is added to the appropriation in Laws 1993, chapter 172, section 2, subdivision 2, for feedlot compliance and local assistance.

Of this amount, \$550,000 is for grants for county administration of the feedlot permit program, to be administered by the board of water and soil resources in ac-

cordance with Minnesota Statutes, section 103B.3369, in cooperation with the pollution control agency. Grants must be matched with a combination of local cash or in-kind contributions. Counties receiving these grants shall submit an annual report to the pollution control agency regarding activities conducted under the grant, expenditure made, and local match contributions. First priority for funding shall be given to counties that have requested and received delegation from the pollution control agency for processing of animal feedlot permit applications under Minnesota Statutes, section 116.07, subdivision 7. Delegated counties shall be eligible to receive a grant of \$5,000 plus either: \$5 multiplied by the number of livestock or poultry farms with sales greater than \$10,000, as reported in the 1992 Census of Agriculture, published by the United States Bureau of Census; or \$15 multiplied by the number of feedlots with greater than ten animal units as determined by a level 2 or level 3 feedlot inventory conducted in accordance with the Feedlot Inventory Guidebook published by the board of water and soil resources, dated June 1991.

To receive the additional funding that is based on the county feedlot inventory, the county shall submit a copy of the inventory to the board of water and soil resources.

Any remaining money is transferred to the board of water and soil resources for distribution to counties on a competitive basis through the challenge grant process for the conducting of feedlot inventories, development of delegated county feedlot programs, and for information and education or technical assistance efforts to reduce feedlot-related pollution hazards.

(b) State Revolving Fund Nonpoint Source Implementation

236,000

This appropriation is added to the appropriation in Laws 1993, chapter 172, section 2, subdivision 2, for administrative support for nonpoint source pollution activities, including storm water assistance, individual septic tank systems, and partnerships with local entities to abate non-



point source pollution. This appropriation is contingent upon passage of enabling legislation to provide financial assistance for clean up of nonpoint source water pollution.

(c) External Cost Study

250,000

This appropriation is for an independent study of the external costs of electricity generation in the state. The commissioner must consult with the department of public service, utilities, environmental groups, and other interested persons in the design and scope of the study and selection of a study contractor. Unless the commissioner determines another methodology is more appropriate, the study must employ one or more of the following methodologies based upon the commissioner's consultation with interested persons: (1) damage cost; (2) cost of control; and (3) willingness to pay.

The study must be completed by July 1, 1995, and must be transmitted by the commissioner to the public utilities commission for use in its consideration of environmental cost values under Minnesota Statutes, section 216B.2422, subdivision 2. The commission must not make a final decision on cost value until it has considered the study prepared under this section.

This appropriation may not be spent until the commissioner of the pollution control agency has submitted a work plan to the legislative commission on Minnesota resources and the commission has approved the work plan.

(d) Citizen Lake Monitoring

70,000

This appropriation is for continuation of the citizen lake monitoring program and the electronic lakes bulletin board.

(e) Eagle Lake Sewer Connection

Of the amounts transferred to the public facilities authority under Minnesota Statutes, section 446A.071, subdivision 8, \$154,000 shall be transferred and is appropriated to the commissioner of the pollution control agency for a grant to the city of Eagle Lake to pay for an intercep-

tor connection to the wastewater treatment plant in the city of Mankato. This grant is for payment in the last quarter of fiscal year 1995.

#### Sec. 4. AGRICULTURE

850,000

##### (a) Enhanced Feedlot and Manure Management

650,000

This appropriation is added to the appropriation in Laws 1993, chapter 172, section 7, to provide assistance to feedlot operators, and to implement best management practices for animal waste and sound nutrient management practices. Of the amount added to the appropriation in subdivision 4, \$50,000 is for grants.

##### (b) Agriculture and Rural Best Management Practices Loan Program

150,000

This appropriation is added to the appropriation in Laws 1993, chapter 172, section 7, subdivision 4, and is for the administrative costs of implementing a rural and agriculture loan program for water quality improvement practices. This appropriation is contingent upon passage of enabling legislation to provide financial assistance for clean up of nonpoint source water pollution.

##### (c) Farm Safety Programs

50,000

##### (d) Ethanol Producer Payments

Notwithstanding Laws 1993, chapter 172, section 7, subdivision 3, the total payments from the ethanol development account to all producers may not exceed \$14,800,000 for the biennium ending June 30, 1995.

#### Sec. 5. NATURAL RESOURCES

2,950,000

227,000

##### Summary by Fund

	1994	1995
General Fund	200,000	227,000
Environmental Trust Fund	1,346,000	
Minnesota Future Resources Fund	1,404,000	

\$150,000 of this appropriation is added to the appropriation in Laws 1993, chapter

172, section 5, subdivision 9, to the commissioner of natural resources for transfer to the environmental quality board. The money must be used for activities related to achieving the sustainable economic development and environmental protection goals of the environmental quality board's sustainable development initiative.

\$200,000 is for workers' compensation payments for employees of the enforcement division. This appropriation is available until June 30, 1995.

\$77,000 in fiscal year 1995 is for payment to Marshall county for construction and maintenance of roads under Minnesota Statutes, section 84A.32, subdivision 1, paragraph (d).

\$650,000 is from the environmental trust fund for repair, rehabilitation, construction, or additions to state park buildings throughout the state. This appropriation is available until June 30, 1995.

\$696,000 from the environmental trust fund and \$1,404,000 from the Minnesota future resources fund is for development of a new small craft harbor in Silver Bay. These appropriations are available until expended.

#### Sec. 6. CITIZEN'S COUNCIL ON VOYAGEURS NATIONAL PARK

55,000

Any amounts remaining from the appropriation in Laws 1993, chapter 172, section 10, for fiscal year 1994, is available until June 30, 1995.

Sec. 7. Minnesota Statutes 1992, section 3.737, subdivision 1, is amended to read:

Subdivision 1. [COMPENSATION REQUIRED.] Notwithstanding section 3.736, subdivision 3, paragraph (e), or any other law, a livestock owner shall be compensated by the commissioner of agriculture for livestock that is destroyed or is crippled so that it must be destroyed by an animal classified as *endangered* or a *protected mammal* under the federal Endangered Species Act of 1973. The owner is entitled to the fair market value of the destroyed livestock, ~~not to exceed \$400 per animal destroyed~~, as determined by the commissioner, upon recommendation of the county extension ~~agent~~ *educator* for the owner's county ~~and a conservation officer~~. The commissioner, upon recommendation of the agent ~~and or~~ conservation officer, shall determine whether the livestock was destroyed by an animal described in this subdivision. The owner shall file

a claim on forms provided by the commissioner and available at the county extension ~~agent's~~ *educator's* office.

Sec. 8. Minnesota Statutes 1992, section 3.737, subdivision 4, is amended to read:

Subd. 4. [PAYMENT, DENIAL OF COMPENSATION.] If the commissioner finds that the livestock owner has shown that the loss of the livestock was caused more probably than not by an animal classified as ~~an endangered species~~ *a protected mammal under the Federal Endangered Species Act of 1973*, the commissioner shall pay compensation as provided in this section and in the rules of the department. *If the commissioner approves the claim, payment must be made within 60 days after receipt of the claim.*

If the commissioner denies compensation claimed by an owner under this section, the commissioner shall issue a written decision based upon the available evidence. It shall include specification of the facts upon which the decision is based and the conclusions on the material issues of the claim. A copy of the decision shall be mailed to the owner *within 45 days after receipt of the claim. Failure to mail the copy within 45 days shall be deemed an approval of the claim in the amount submitted.*

A decision to deny compensation claimed under this section is not subject to the contested case review procedures of chapter 14, but may be reviewed upon a trial de novo in a court in the county where the loss occurred. The decision of the court may be appealed as in other civil cases. Review in court may be obtained by filing a petition for review with the administrator of the court within 60 days following receipt of a decision under this section. Upon the filing of a petition, the administrator shall mail a copy to the commissioner and set a time for hearing within 90 days of the filing.

Sec. 9. Minnesota Statutes 1992, section 17B.15, subdivision 1, is amended to read:

Subdivision 1. [ADMINISTRATION; APPROPRIATION.] The fees for inspection and weighing shall be fixed by the commissioner and be a lien upon the grain. The commissioner shall set fees for all inspection and weighing in an amount adequate to pay the expenses of carrying out and enforcing the purposes of sections 17B.01 to 17B.23, including the portion of general support costs and statewide indirect costs of the agency attributable to that function, with a reserve sufficient for up to six months. The commissioner shall review the fee schedule twice each year. Fee adjustments are not subject to chapter 14. Payment shall be required for services rendered. If the grain is in transit, the fees shall be paid by the carrier and treated as advance charges, and, if received for storage, the fees shall be paid by the warehouse operator, and added to the storage charges.

All fees collected and all fines and penalties for violation of any provision of this chapter shall be deposited in the grain inspection and weighing account, which is created in the state treasury for carrying out the purpose of sections 17B.01 to 17B.23. The money in the account, *including interest earned on the account*, is annually appropriated to the commissioner of agriculture to administer the provisions of sections 17B.01 to 17B.23.

Sec. 10. Minnesota Statutes 1992, section 41A.09, subdivision 2, is amended to read:

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

(a) "Ethanol" means agriculturally derived fermentation ethyl alcohol derived from *agricultural products, including potatoes, cereal, grains, cheese whey, and sugar beets, forest products, or other renewable resources, including residue and waste generated from the production, processing, and marketing of agricultural products, forest products, and other renewable resources, that:*

(1) meets all of the specifications in ASTM specification D 4806-88; and

(2) is denatured with unleaded gasoline or rubber hydrocarbon solvent as defined in Code of Federal Regulations, title 27, parts 211 and 212, as adopted by the Bureau of Alcohol, Tobacco and Firearms of the United States Treasury Department.

(b) "Wet alcohol" means agriculturally derived fermentation ethyl alcohol having a purity of at least 50 percent but less than 99 percent.

Sec. 11. Minnesota Statutes 1993 Supplement, section 41A.09, subdivision 3, is amended to read:

Subd. 3. [PAYMENTS FROM ACCOUNT.] (a) The commissioner of agriculture shall make cash payments from the account to producers of ethanol or wet alcohol located in the state. These payments shall apply only to ethanol or wet alcohol fermented in the state. The amount of the payment for each producer's annual production shall be as follows:

(a) (1) for each gallon of ethanol produced on or before June 30, ~~2000~~ 1995, 20 cents per gallon;

(b) (2) for each gallon of ethanol produced on or before June 30, 2010, 25 cents per gallon; and

(3) for each gallon produced of wet alcohol on or before June 30, ~~2000~~ 2010, a payment in cents per gallon calculated by the formula "alcohol purity in percent divided by five," and rounded to the nearest cent per gallon, but not less than 11 cents per gallon.

The producer payment for wet alcohol under this section may be paid to either the original producer of wet alcohol or the secondary processor, at the option of the original producer, but not to both.

(e) (b) In addition to other payments under this subdivision, the commissioner shall make payments to producers of ethanol located in the state in the amount of ten cents for each gallon of annual ethanol production in excess of 37,500,000 gallons. Total payments to a producer under this paragraph in any fiscal year may not exceed \$3,750,000.

(c) The total payments from the account to all producers may not exceed ~~\$10,000,000~~ \$20,000,000 in any fiscal year during the period beginning July 1, ~~1993~~ 1994, and ending June 30, ~~2000~~ 2010. Total payments from the account to any producer ~~in any fiscal year~~ under paragraph (a) may not exceed:

(1) \$3,000,000 in fiscal year 1995; and

(2) \$3,750,000 in fiscal year 1996 and subsequent fiscal years.

(d) By the last day of October, January, April, and July, each producer shall file a claim for payment for production during the preceding three calendar months. The volume of production must be verified by a certified financial audit performed by an independent certified public accountant using generally accepted accounting procedures.

(e) Payments shall be made November 15, February 15, May 15, and August 15.

Sec. 12. Minnesota Statutes 1992, section 41A.09, subdivision 5, is amended to read:

Subd. 5. [EXPIRATION.] This section expires July 1, ~~2000~~ 2010, and the unobligated balance of each appropriation under this section on that date reverts to the general fund.

Sec. 13. Minnesota Statutes 1992, section 84.0887, is amended by adding a subdivision to read:

Subd. 7. [GROUP HEALTH AND ACCIDENTAL DEATH INSURANCE.] *The commissioner may provide group health and accidental death insurance coverage for youth and young adult corps members through an insurance carrier under contract with the National Association of Service and Conservation Corps.*

Sec. 14. Minnesota Statutes 1992, section 84.0887, is amended by adding a subdivision to read:

Subd. 8. [EDUCATION AWARDS.] (a) *A person employed as a corps member for one year of continuous service, as determined by standards adopted by the commissioner, and who receives a satisfactory evaluation upon termination of employment may be provided an incentive award of \$500 or an education voucher in an amount not less than \$1,000 nor more than stipulated in the National and Community Service Act (Public Law Number 101-610, United States Code, title 42, sections 12501 through 12681).*

(b) *The commissioner may authorize a partial incentive award or education voucher to a person employed as a corps member who receives a satisfactory evaluation upon termination of employment if the person is employed as a corps member for less than one year of continuous employment if the commissioner determines that employment was terminated because of special circumstances beyond the control of the corps member. Partial awards may also be made if the person is employed as a corps member for at least ten months but less than one year and the commissioner determines that employment was terminated in order to enable the person to attend an institution of higher education, vocational institution, or other training program or to enable the person to obtain other employment.*

(c) *The education voucher is valid for three years after the date of issuance for the payment of tuition and required program activity fees at any institution of higher education which accepts the voucher. In instances where a corps member has attained a degree or certificate from an institution of higher education and has an education loan outstanding, the education voucher may be used to repay that loan. The commissioner shall authorize payment to the institution of face value of the voucher upon presentation.*

Sec. 15. Minnesota Statutes 1992, section 84A.32, subdivision 1, is amended to read:

Subdivision 1. [RULES.] (a) The department shall manage and control each project approved and accepted under section 84A.31. The department may adopt and enforce rules for the purposes in section 84A.31, subdivision 1, for the prevention of forest fires in the projects, and for the sale of merchantable timber from lands acquired by the state in the projects when, in the opinion of the department, the timber may be sold and removed without damage to the purposes of the projects. Rules must not interfere with, destroy, or damage any privately owned property without just compensation being made to the owner of the private property by purchase or in lawful condemnation proceedings. The rules may relate to the care, preservation, protection, breeding, propagation, and disposition of any species of wildlife in the projects and the regulation, issuance, sale, and revocation of special licenses or special permits for hunting, fishing, camping, or other uses of these areas consistent with applicable state law.

(b) The department may provide for the policing of each project as necessary for the proper development, use, and protection of the project, and of its purpose. Supervisors, guards, custodians, and caretakers assigned to duty in a project have the powers of peace officers while employed by the department.

(c) Lands within the project are subject to these rules, whether owned by the state, or privately, consistent with the constitutional rights of the private owners or with applicable state law. The department may exclude from the operation of the rules any lands owned by private individuals upon which taxes are delinquent for three years or less. Rules must be published once in the official newspaper of each county affected and take effect 30 days after publication. They must also be posted on each of the four corners of each township of each project affected.

(d) In the management, operation, and control of areas taken for afforestation, reforestation, flood control projects, and wild game and fishing reserves, nothing shall be done that will in any manner obstruct or interfere with the operation of ditches or drainage systems existing within the areas, or damage or destroy existing roads or highways within these areas or projects, unless the ditches, drainage systems, roads, or highways are first taken under the right of eminent domain and compensation made to the property owners and municipalities affected and damaged.

(e) Each area or project shall contribute from the funds of the project, in proportion of the state land within the project, for the construction and maintenance of roads and highways necessary within the areas and projects to give the settlers and private owners within them access to their land. *Claims for calendar year 1994 and subsequent years must be submitted to the commissioner of natural resources by April 15 of the following year. The commissioner shall make payments during the month of July of the year in which the claims are submitted. Amounts necessary to pay claims under this paragraph are annually appropriated to the commissioner from the general fund.*

(f) The department may construct and maintain roads and highways within the areas and projects as it considers necessary.

Sec. 16. Minnesota Statutes 1992, section 85A.02, subdivision 17, is amended to read:

Subd. 17. [ADDITIONAL POWERS.] The board may establish a schedule of charges for admission to or the use of the Minnesota zoological garden or any related facility. The board shall have a policy admitting elementary school children at no charge when they are part of an organized school activity. ~~The Minnesota zoological garden must be open to the public without admission charges at least two days each month~~ *The board shall establish a program for admitting, at a reduced charge or at no charge, persons who have historically been underrepresented in attendance at the zoo.* However, the zoo may charge at any time for parking, special services, and for admission to special facilities for the education, entertainment, or convenience of visitors. The board may provide for the purchase, reproduction, and sale of gifts, souvenirs, publications, informational materials, food and beverages, and grant concessions for the sale of these items.

Sec. 17. Minnesota Statutes 1993 Supplement, section 97A.028, subdivision 3, is amended to read:

Subd. 3. [EMERGENCY DETERRENT MATERIALS ASSISTANCE.] (a) For the purposes of this subdivision, "cooperative damage management agreement" means an agreement between a landowner and the commissioner that establishes a program for addressing the problem of destruction of specialty crops by wild animals on the landowner's property.

(b) A person may apply to the commissioner for emergency deterrent materials assistance in controlling destruction of specialty crops by wild animals. Subject to the availability of money appropriated for this purpose, the commissioner shall provide suitable deterrent materials, up to \$3,000 in value per individual or corporation, when the commissioner determines that:

(1) immediate action is necessary to prevent significant damage from continuing; and

(2) a cooperative damage management agreement cannot be implemented immediately.

(c) As a condition of receiving emergency deterrent materials assistance under this subdivision, a landowner shall enter into a cooperative damage management agreement with the commissioner. Deterrent materials provided by the commissioner may include repellents, fencing materials, or other materials recommended in the agreement to alleviate the damage problem. *If requested by a landowner, any fencing materials provided must be capable of providing long-term protection of specialty crops.* A landowner may not receive emergency deterrent materials assistance under this subdivision more than once. A landowner who receives emergency deterrent materials assistance under this subdivision shall comply with the terms of the cooperative damage management agreement.

Sec. 18. Minnesota Statutes 1992, section 296.02, subdivision 7, is amended to read:

Subd. 7. [TAX CREDIT FOR AGRICULTURAL ALCOHOL GASOLINE.] *Until October 1, 1997, a distributor shall be allowed a credit on each gallon of denatured ethanol commercially blended with gasoline or blended in a tank truck with gasoline on which the tax imposed by subdivision 1 is due and payable. Denatured ethanol is defined in section 296.01, subdivision 13.*



After June 30, 1987, The amount of the credit for every gallon of denatured ethanol blended with gasoline to produce agricultural alcohol gasoline is:

- (1) until October 1, 1994, 20 cents;
- (2) until October 1, 1995, 15 cents;
- (3) until October 1, 1996, ten cents; and
- (4) until October 1, 1997, five cents.

The credit allowed a distributor must not exceed the total tax liability under subdivision 1. The tax credit received by a distributor on denatured ethanol blended with motor fuels shall be passed on to the retailer.

Sec. 19. Minnesota Statutes 1992, section 477A.12, is amended to read:

477A.12 [ANNUAL APPROPRIATIONS; LANDS ELIGIBLE; CERTIFICATION OF ACREAGE.]

There is annually appropriated to the commissioner of natural resources from the general fund for payment to counties within the state an amount equal to:

(1) for acquired natural resources land, \$3 multiplied by the number of acres of acquired natural resources land, or three-fourths of one percent of the appraised value, whichever is greater;

(2) 75 85 cents multiplied by the number of acres of county-administered other natural resources land; and

(3) 37.5 42 cents multiplied by the number of acres of commissioner-administered other natural resources land located in each county as of July 1 of each year.

Lands for which payments in lieu are made pursuant to section 97A.061, subdivision 3, and Laws 1973, chapter 567, shall not be eligible for payments under this section. Each county auditor shall certify to the department of natural resources during July of each year the number of acres of county-administered other natural resources land within the county. The department of natural resources may, in addition to the certification of acreage, require descriptive lists of land so certified. The commissioner of natural resources shall determine and certify the number of acres of acquired natural resources land and commissioner-administered natural resources land within each county.

Sec. 20. Minnesota Statutes 1993 Supplement, section 477A.13, is amended to read:

477A.13 [TIME OF PAYMENT, DEDUCTIONS.]

Payments to the counties shall be made from the general fund during the month of July of the year next following certification. There shall be deducted from amounts paid to a county:

(1) any amounts paid to a county or township during the preceding year pursuant to sections 97A.061, subdivisions 1 and 2, and 272.68, subdivision 3, with respect to the lands certified pursuant to section 477A.12; and

(2) amounts necessary to defend the state in any lawsuit related to aid

*payments for state lands brought by the county or a group of counties in which the county participates.*

Sec. 21. Minnesota Statutes 1993 Supplement, section 477A.14, is amended to read:

477A.14 [USE OF FUNDS.]

Forty percent of the total payment to the county shall be deposited in the county general revenue fund to be used to provide property tax levy reduction. The remainder shall be distributed by the county in the following priority:

(a) ~~37.5~~ 42.5 cents for each acre of county-administered other natural resources land shall be deposited in a resource development fund to be created within the county treasury for use in resource development, forest management, game and fish habitat improvement, and recreational development and maintenance of county-administered other natural resources land. Any county receiving less than \$5,000 annually for the resource development fund may elect to deposit that amount in the county general revenue fund;

(b) From the funds remaining, within 30 days of receipt of the payment to the county, the county treasurer shall pay each organized township 30 cents per acre of acquired natural resources land and ~~7.5~~ 8.5 cents per acre of other natural resources land located within its boundaries. Payments for natural resources lands not located in an organized township shall be deposited in the county general revenue fund. Payments to counties and townships pursuant to this paragraph shall be used to provide property tax levy reduction. Provided that, if the total payment to the county pursuant to section 477A.12 is not sufficient to fully fund the distribution provided for in this clause, the amount available shall be distributed to each township and the county general revenue fund on a pro rata basis; and

(c) Any remaining funds shall be deposited in the county general revenue fund. Provided that, if the distribution to the county general revenue fund exceeds \$35,000, the excess shall be used to provide property tax levy reduction.

Sec. 22. [SUSTAINABLE ECONOMIC DEVELOPMENT AND ENVIRONMENTAL PROTECTION TASK FORCE; STAFF.]

*Subdivision 1. [PURPOSE; TASK FORCE MEMBERSHIP.] In order to build a consensus on how to achieve the sustainable economic development and environmental protection goals of the environmental quality board sustainable development initiative throughout the state, the sustainable economic development and environmental protection task force is established. The task force consists of 17 members who serve at the pleasure of the appointing authority as follows:*

*(1) six legislators, including three members of the senate appointed by the subcommittee on committees of the committee on rules and administration, and three members of the house of representatives appointed by the speaker of the house; and*

*(2) 11 public members who are residents of the state, appointed by the chair of the environmental quality board. Of the 11 members appointed by the chair of the environmental quality board, at least one member shall represent towns, one member shall represent cities, one member shall represent counties, and one shall represent regional development commissions.*

*At least one legislator from each house appointed under clause (1) must be a member of the minority caucus.*

*Subd. 2. [CHAIRS.] The legislative appointing authorities shall designate a legislative appointee to serve as co-chair of the task force and the chair of the environmental quality board shall designate one of the 11 public members as the other co-chair.*

*Subd. 3. [STAFF.] The environmental quality board shall provide coordination and staff support for the task force.*

*Subd. 4. [SUNSET.] The task force shall expire on June 30, 1995, at which time a final report and recommendation are due.*

#### Sec. 23. [DUTIES.]

*The task force shall research and recommend:*

*(1) what policies or goals are of statewide interest relating to sustainable communities and land use that should guide decision making at state, regional, and local levels;*

*(2) what planning framework and process will enhance collaboration at all levels to help achieve the goals; and*

*(3) how the planning framework will incorporate the following nonexclusive list of issues: sustainable economic development, protection of natural resources, urban-rural linkages, and citizen involvement.*

#### Sec. 24. [PUBLIC INVOLVEMENT.]

*The environmental quality board and the task force shall ensure extensive, broad-based involvement of citizens and both public and private sectors in the recommendations. The environmental quality board may contract with facilitators or other consultants to help ensure extensive public participation and to help incorporate public comments into the process.*

#### Sec. 25. [REPORT.]

*By January 1, 1995, the environmental quality board and the task force shall submit to the governor and the legislature an initial report of the task force's and the board's findings and recommendations for legislation.*

#### Sec. 26. [EFFECTIVE DATE.]

*Sections 1 to 6 are effective the day following final enactment. Section 20 does not apply to lawsuits initiated before July 1, 1994."*

*Delete the title and insert:*

*"A bill for an act relating to the organization and operation of state government; appropriating money for environmental, natural resource, and agricultural purposes; modifying provisions relating to ethanol; establishing a procedure for certain claims relating to consolidated conservation lands; requiring the Minnesota zoological board to establish a program of reduced admission charges for certain persons; modifying provisions relating to payments in lieu of taxes; establishing a sustainable economic development and environmental protection task force; amending Minnesota Statutes 1992, sections 3.737, subdivisions 1 and 4; 17B.15, subdivision 1; 41A.09, subdivisions 2 and 5; 84.0887, by adding subdivisions; 84A.32, subdivision 1; 85A.02, subdivision 17; 296.02, subdivision 7; and 477A.12; Minnesota*

Statutes 1993 Supplement, sections 41A.09, subdivision 3; 97A.028, subdivision 3; 477A.13; and 477A.14."

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

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

H.F. No. 2553 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2553	2332				

and that the above Senate File be indefinitely postponed.

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

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

H.F. No. 1778 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1778	1641				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1778 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1778 and insert the language after the enacting clause of S.F. No. 1641, the first engrossment; further, delete the title of H.F. No. 1778 and insert the title of S.F. No. 1641, the first engrossment.

And when so amended H.F. No. 1778 will be identical to S.F. No. 1641, and further recommends that H.F. No. 1778 be given its second reading and substituted for S.F. No. 1641, and that the Senate File be indefinitely postponed.

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

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

H.F. No. 2278 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

**GENERAL ORDERS**

H.F. No.	S.F. No.
2278	2259

**CONSENT CALENDAR**

H.F. No.	S.F. No.
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**CALENDAR**

H.F. No.	S.F. No.
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Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2278 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2278 and insert the language after the enacting clause of S.F. No. 2259, the first engrossment; further, delete the title of H.F. No. 2278 and insert the title of S.F. No. 2259, the first engrossment.

And when so amended H.F. No. 2278 will be identical to S.F. No. 2259, and further recommends that H.F. No. 2278 be given its second reading and substituted for S.F. No. 2259, and that the Senate File be indefinitely postponed.

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

Mr. Lessard from the Committee on Environment and Natural Resources, to which was referred the following appointment as reported in the Journal for January 19, 1993:

**MINNESOTA POLLUTION CONTROL AGENCY**

Russell B. Kirby

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.

**SECOND READING OF HOUSE BILLS**

H.F. Nos. 2553, 1778 and 2278 were read the second time.

**MOTIONS AND RESOLUTIONS**

Mr. Vickerman introduced—

Senate Resolution No. 73: A Senate resolution congratulating the Worthington High School Boys Basketball Team on its successful season.

Referred to the Committee on Rules and Administration.

Mr. Vickerman and Ms. Hanson introduced—

Senate Resolution No. 74: A Senate resolution congratulating the West-

brook-Walnut Grove High School Boys Basketball Team on its successful season.

Referred to the Committee on Rules and Administration.

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate proceeded to the Order of Business of the Calendar.

### CALENDAR

H.F. No. 2139: A bill for an act relating to real estate; regulating trust accounts; clarifying a definition for purposes of licensing real estate appraisers; regulating dual agency disclosure; amending Minnesota Statutes 1992, section 82B.02, by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 82.197, subdivision 3; and 82.24, subdivision 1.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 58 and nays 1, as follows:

Those who voted in the affirmative were:

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

Ms. Anderson voted in the negative.

So the bill passed and its title was agreed to.

### MOTIONS AND RESOLUTIONS - CONTINUED

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate proceeded to the Order of Business of the Consent Calendar.

### CONSENT CALENDAR

H.F. No. 2967: 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.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

### MOTIONS AND RESOLUTIONS – CONTINUED

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 2900 a Special Order to be heard immediately.

### SPECIAL ORDER

S.F. No. 2900: A bill for an act relating to education; appropriating money for education and related purposes to the state board of technical colleges, higher education board, state university board, and board of regents of the University of Minnesota, with certain conditions; modifying the award of grants for faculty exchange and temporary assignment programs; designating community colleges; establishing the mission of Fond du Lac campus; changing certain financial aid grants; modifying the child care grant program; clarifying an exemption to private, business, trade, and correspondence school licensing; providing for appointments; permitting rulemaking; adopting a post-secondary funding formula; permitting the higher education board to establish tuition rates for the 1995-1996 academic year; postponing mandated planning; amending Minnesota Statutes 1992, sections 135A.01; 135A.03, subdivisions 1a, and by adding subdivisions; 135A.04; 136.60, subdivisions 1 and 3; 136A.101, subdivision 5; 136A.121, subdivisions 5, 17, and by adding subdivisions; 136A.125, subdivisions 2, 4, and by adding a subdivision; 136A.15, subdivision 6; and 141.35; Minnesota Statutes 1993 Supplement, sections 125.138, subdivisions 1, 6, and 8; and 135A.05; 136A.121, subdivision 6; Laws 1993, First Special Session chapter 2, article 5, section 2; proposing coding for new law in Minnesota Statutes, chapters 135A; and 136; repealing Minnesota Statutes 1992, sections 135A.02; 135A.03, subdivisions 1, 2, 3, 4, 5, and 6; 136.60, subdivision 4; and 136C.36.

Mr. Neuville moved that S.F. No. 2900 be laid on the table. The motion did not prevail.

Ms. Robertson moved to amend S.F. No. 2900 as follows:

Page 14, line 1, delete “at least”

The motion prevailed. So the amendment was adopted.

Mr. Benson, D.D. moved that S.F. No. 2900 be laid on the table.

### CALL OF THE SENATE

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

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

The roll was called, and there were yeas 17 and nays 44, as follows:

Those who voted in the affirmative were:

Belanger	Frederickson	Lesewski	Olson	Terwilliger
Benson, D.D.	Johnston	McGowan	Pariseau	
Benson, J.E.	Knutson	Neuville	Runbeck	
Dille	Laidig	Oliver	Stevens	

Those who voted in the negative were:

Adkins	Day	Kiscaden	Moe, R.D.	Robertson
Anderson	Finn	Krentz	Mondale	Sams
Berg	Flynn	Kroening	Morse	Samuelson
Berglin	Hanson	Larson	Murphy	Solon
Bertram	Hottinger	Lessard	Pappas	Spear
Betzold	Janezich	Luther	Piper	Stumpf
Chandler	Johnson, D.J.	Marty	Price	Vickerman
Chmielewski	Johnson, J.B.	Merriam	Ranum	Wiener
Cohen	Kelly	Metzen	Reichgott Junge	

The motion did not prevail.

S.F. No. 2900 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 48 and nays 17, as follows:

Those who voted in the affirmative were:

Adkins	Finn	Kroening	Mondale	Robertson
Anderson	Flynn	Langseth	Morse	Sams
Benson, J.E.	Hanson	Larson	Murphy	Samuelson
Berg	Hottinger	Lesewski	Novak	Solon
Berglin	Janezich	Lessard	Pappas	Spear
Bertram	Johnson, D.J.	Luther	Piper	Stumpf
Betzold	Johnson, J.B.	Marty	Pogemiller	Vickerman
Chandler	Kelly	Merriam	Price	Wiener
Chmielewski	Kiscaden	Metzen	Ranum	
Cohen	Krentz	Moe, R.D.	Reichgott Junge	

Those who voted in the negative were:

Belanger	Frederickson	Laidig	Olson	Terwilliger
Benson, D.D.	Johnson, D.E.	McGowan	Pariseau	
Day	Johnston	Neuville	Runbeck	
Dille	Knutson	Oliver	Stevens	

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

### MOTIONS AND RESOLUTIONS - CONTINUED

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate take up the General Orders Calendar. The motion prevailed.



### GENERAL ORDERS

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

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

S.F. No. 2097, which the committee recommends to pass, subject to the following motions:

Mr. Luther moved to amend S.F. No. 2097 as follows:

Page 12, after line 33, insert:

"Sec. 10. Minnesota Statutes 1992, section 473.167, subdivision 2, is amended to read:

Subd. 2. [LOANS FOR ACQUISITION.] The council may make loans to counties, towns, and statutory and home rule charter cities within the metropolitan area for the purchase of property within the right-of-way of a state trunk highway shown on an official map adopted pursuant to section 394.361 or 462.359 or for the purchase of property within the proposed right-of-way of a principal or intermediate arterial highway designated by the council as a part of the metropolitan highway system plan and approved by the council pursuant to subdivision 1. The loans shall be made by the council, from the fund established pursuant to this subdivision, for purchases approved by the council. The loans shall bear no interest. The council shall make loans only: (1) to accelerate the acquisition of primarily undeveloped property when there is a reasonable probability that the property will increase in value before highway construction, and to update an expired environmental impact statement on a project for which the right-of-way is being purchased; ~~or~~ (2) to avert the imminent conversion or the granting of approvals which would allow the conversion of property to uses which would jeopardize its availability for highway construction; ~~or~~ (3) *to advance planning and environmental activities on major river crossing projects.* The council shall not make loans for the purchase of property at a price which exceeds the fair market value of the property or which includes the costs of relocating or moving persons or property. A private property owner may elect to receive the purchase price either in a lump sum or in not more than four annual installments without interest on the deferred installments. If the purchase agreement provides for installment payments, the council shall make the loan in installments corresponding to those in the purchase agreement. The recipient of an acquisition loan shall convey the property for the construction of the highway at the same price which the recipient paid for the property. The price may include the costs of preparing environmental documents that were required for the acquisition and that were paid for with money that the recipient received from the loan fund. Upon notification by the council that the plan to construct the highway has been abandoned or the anticipated location of the highway changed, the recipient shall sell the property at market value in accordance with the procedures required for the disposition of the property. All rents and other money received because of the recipient's ownership of the property and all proceeds from the conveyance or sale of the property shall be paid to the council. If a recipient is not permitted to include in the conveyance price the cost of preparing environmental documents that were required for the acquisition, then the recipient is not required to repay the council an amount equal to 40 percent of the money received from the loan fund and spent in

preparing the environmental documents. The proceeds of the tax authorized by subdivision 3, all money paid to the council by recipients of loans, and all interest on the proceeds and payments shall be maintained as a separate fund. For administration of the loan program, the council may expend from the fund each year an amount no greater than three percent of the amount of the authorized levy for that year."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Mr. Merriam moved to amend S.F. No. 2097 as follows:

Page 8, after line 1, insert:

"Sec. 6. Minnesota Statutes 1992, section 162.02, subdivision 7, is amended to read:

Subd. 7. [ESTABLISHMENT IN NEW LOCATION OR OVER ESTABLISHED ROADS.] The county board of any county may establish and locate any county state-aid highway on new location where there is no existing road, or it may establish and locate the highway upon or over any established road or street or a specified portion thereof within its limits; ~~provided, that. Except as provided in subdivision 8a,~~ no county state-aid highway shall be established or located within the corporate limits of any city without the approval of the governing body of the city, except that when a county state-aid highway is relocated the approval of the plans by the governing body shall be deemed to be a transfer of the previous location of the highway to the jurisdiction of the city. The approval shall be in the manner and form required by the commissioner.

Sec. 7. Minnesota Statutes 1992, section 162.02, subdivision 8, is amended to read:

Subd. 8. [APPROVAL BY CITY.] *Except as provided in subdivision 8a,* no portion of the county state-aid highway system lying within the corporate limits of any city shall be constructed, reconstructed, or improved nor the grade thereof changed without the prior approval of the plans by the governing body of such city and the approval shall be in the manner and form required by the commissioner.

Sec. 8. Minnesota Statutes 1992, section 162.02, is amended by adding a subdivision to read:

Subd. 8a. [DISPUTE RESOLUTION BOARD.] *If a city has failed to approve establishment, construction, reconstruction, or improvement of a county state-aid highway within its corporate limits under subdivision 7 or 8, the county board may, by resolution, request the commissioner to appoint a dispute resolution board consisting of one county commissioner, one county engineer, one city council member or city mayor, one city engineer, and one representative of the department of transportation. The board shall review the proposed change and make a recommendation to the commissioner. Notwithstanding any other law, the commissioner may approve the establishment, construction, reconstruction, or improvement of a county state-aid highway recommended by the board.*

Sec. 9. Minnesota Statutes 1992, section 162.07, subdivision 1, is amended to read:

Subdivision 1. [FORMULA.] After deducting for administrative costs and for the disaster account and research account and state park roads as heretofore provided, the remainder of the total sum provided for in section 162.06, subdivision 1, shall be identified as the apportionment sum and shall be apportioned by the commissioner to the several counties on the basis of the needs of the counties as determined in accordance with the following formula:

(1) An amount equal to ~~ten~~ five percent of the apportionment sum shall be apportioned equally among the 87 counties.

(2) An amount equal to ~~ten~~ 20 percent of the apportionment sum shall be apportioned among the several counties so that each county shall receive of such amount the percentage that its motor vehicle registration for the calendar year preceding the one last past, determined by residence of registrants, bears to the total statewide motor vehicle registration.

(3) An amount equal to ~~30~~ 35 percent of the apportionment sum shall be apportioned among the several counties so that each county shall receive of such amount the percentage that its total ~~miles existing lane miles~~ of approved county state-aid highways bears to the total ~~miles existing lane miles~~ of approved statewide county state-aid highways.

(4) An amount equal to ~~50~~ 40 percent of the apportionment sum shall be apportioned among the several counties so that each county shall receive of such amount the percentage that its money needs bears to the sum of the money needs of all of the individual counties; ~~provided, that the percentage of such amount that each county is to receive shall be adjusted so that each county shall receive in 1958 a total apportionment at least ten percent greater than its total 1956 apportionments from the state road and bridge fund; and provided further that those counties whose money needs are thus adjusted shall never receive a percentage of the apportionment sum less than the percentage that such county received in 1958.~~

*In 1994 and thereafter, no county shall receive more than its apportionment for the previous year plus 39.5 percent, and in 1994 and thereafter no county shall receive less than its apportionment for 1993 plus three percent. The three percent may be decreased proportionately among the counties if the total apportionment sum is insufficient.*

Sec. 10. Minnesota Statutes 1992, section 162.07, subdivision 3, is amended to read:

Subd. 3. [COMPUTATIONS FOR RURAL COUNTIES.] An amount equal to a levy of 0.01596 percent on each ~~rural~~ county's total taxable market value for the last preceding calendar year shall be computed and shall be subtracted from the county's total estimated construction costs. The result thereof shall be the money needs of the county. ~~For the purpose of this section, "rural counties" means all counties having a population of less than 175,000.~~

Sec. 11. Minnesota Statutes 1992, section 162.07, subdivision 5, is amended to read:

Subd. 5. [SCREENING BOARD.] On or before September 1 of each year the county engineer of each county shall forward to the commissioner, on forms prepared by the commissioner, all information relating to the mileage in

lane miles of the county state-aid highway system in the county, and the money needs of the county that the commissioner deems necessary in order to apportion the county state-aid highway fund in accordance with the formula heretofore set forth. Upon receipt of the information the commissioner shall appoint a board consisting of ~~nine county engineers. The board shall be so selected that each one~~ county engineer appointed shall be from a different ~~from each of the seven state highway construction district districts outside the department's metropolitan division and five county engineers from the department's metropolitan division.~~ No county engineer shall be appointed so as to serve consecutively for more than ~~two~~ four years. The board shall investigate and review the information submitted by each county and shall on or before the first day of November of each year submit its findings and recommendations in writing as to each county's lane mileage and money needs to the commissioner on a form prepared by the commissioner. Final determination of the lane mileage of each system and the money needs of each county shall be made by the commissioner.

Sec. 12. Minnesota Statutes 1992, section 162.07, subdivision 6, is amended to read:

Subd. 6. [ESTIMATES TO BE MADE IF INFORMATION NOT PROVIDED.] In the event that any county shall fail to submit the information provided for herein, the commissioner shall estimate the lane mileage and the money needs of the county. The estimate shall be used in determining the apportionment formula. The commissioner may withhold payment of the amount apportioned to the county until the information is submitted."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 30 and nays 33, as follows:

Those who voted in the affirmative were:

Anderson	Flynn	Luther	Oliver	Riveness
Belanger	Johnson, D.J.	Marty	Olson	Robertson
Berglin	Kelly	McGowan	Pappas	Runbeck
Betzold	Knutson	Merriam	Pariseau	Spear
Chandler	Krentz	Mondale	Price	Terwilliger
Cohen	Laidig	Novak	Ranum	Wiener

Those who voted in the negative were:

Adkins	Dille	Kiscaden	Moe, R.D.	Samuelson
Benson, D.D.	Finn	Kroening	Morse	Solon
Benson, J.E.	Frederickson	Langseth	Murphy	Stevens
Berg	Janezich	Larson	Neuville	Stumpf
Bertram	Johnson, D.E.	Lesewski	Piper	Vickerman
Chmielewski	Johnson, J.B.	Lessard	Pogemiller	
Day	Johnston	Metzen	Sams	

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

The question was taken on the recommendation to pass S.F. No. 2097.

The roll was called, and there were yeas 55 and nays 10, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Benson, J.E.	Merriam	Pariseau	Robertson	Spear
Betzold	Oliver	Ranum	Runbeck	Wiener

The motion prevailed. So S.F. No. 2097 was recommended to pass.

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

### MOTIONS AND RESOLUTIONS - CONTINUED

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 1835 a Special Order to be heard immediately.

### SPECIAL ORDER

H.F. No. 1835: A bill for an act relating to game and fish; agreements on taking and possession of fish taken from Ontario boundary waters; amending Minnesota Statutes 1993 Supplement, section 97A.531, by adding a subdivision.

Mr. Stumpf moved that the amendment made to H.F. No. 1835 by the Committee on Rules and Administration in the report adopted March 24, 1994, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

Mr. Merriam moved to amend H.F. No. 1835 as follows:

Delete everything after the enacting clause and insert:

"Section 1, Minnesota Statutes 1993 Supplement, section 97A.531, subdivision 1, is amended to read:

#### 97A.531 [SHIPMENT OF WILD ANIMALS TAKEN IN CANADA.]

~~Subdivision 1. [SHIPPING COUPONS.]~~ A person may ship, within or out of the state, wild animals lawfully taken and possessed in Canada and that have lawfully entered the state. The shipment must have the shipping coupons required for a shipment originating in the province where the animals were taken. *Fish that are lawfully taken and possessed in Canada may be brought into the state for filleting and packing and may be transported within the state or out of the state.*

#### Sec. 2. [REPEALER.]

*Minnesota Statutes 1993 Supplement, sections 97A.015, subdivision 26a; and 97A.531, subdivisions 2, 3, 4, and 5, are repealed.*

## Sec. 3. [EFFECTIVE DATE.]

*Sections 1 and 2 are effective the day following final enactment."*

Delete the title and insert:

"A bill for an act relating to game and fish; transportation of fish taken in Canada; amending Minnesota Statutes 1993 Supplement, section 97A.531, subdivision 1; repealing Minnesota Statutes 1993 Supplement, sections 97A.015, subdivision 26a; 97A.531, subdivisions 2, 3, 4, and 5."

Mr. Laidig questioned whether the amendment was germane.

The Chair ruled that the amendment was germane.

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

The roll was called, and there were yeas 28 and nays 28, as follows:

Those who voted in the affirmative were:

Anderson	Cohen	Langseth	Pappas	Samuelson
Belanger	Flynn	Lesewski	Pariseau	Spear
Benson, D.D.	Johnston	Luther	Price	Stevens
Berg	Kelly	Merriam	Ranum	Wiener
Berglin	Kiscaden	Mondale	Robertson	
Betzold	Knutson	Oliver	Runbeck	

Those who voted in the negative were:

Adkins	Finn	Johnson, J.B.	Marty	Olson
Benson, J.E.	Frederickson	Krentz	McGowan	Piper
Bertram	Hanson	Kroening	Moe, R.D.	Riveness
Chandler	Janezich	Laidig	Morse	Stumpf
Day	Johnson, D.E.	Larson	Murphy	
Dille	Johnson, D.J.	Lessard	Neuville	

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

Mr. Johnson, D.J. moved to amend H.F. No. 1835 as follows:

Page 2, line 4, after the period, insert "*This paragraph does not apply to fish taken from Ontario border waters on which limits on the number of fish that may be taken are the same for Minnesota-based anglers and Ontario-based anglers.*"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 48 and nays 2, as follows:

Those who voted in the affirmative were:

Adkins	Frederickson	Kroening	Morse	Riveness
Anderson	Hanson	Laidig	Murphy	Robertson
Belanger	Janezich	Larson	Neuville	Runbeck
Benson, D.D.	Johnson, D.E.	Lesewski	Oliver	Samuelson
Benson, J.E.	Johnson, D.J.	Lessard	Olson	Solon
Berg	Johnson, J.B.	Luther	Pariseau	Spear
Betzold	Johnston	Marty	Piper	Stevens
Day	Kiscaden	McGowan	Pogemiller	Wiener
Dille	Knutson	Merriam	Price	
Flynn	Krentz	Moe, R.D.	Ranum	

Messrs. Finn and Stumpf voted in the negative.

The motion prevailed. So the amendment was adopted:

Mr. Merriam moved to amend H.F. No. 1835 as follows:

Page 2, after line 4, insert:

*“(c) Nothing in this section precludes the possession, importation into, or transportation in the state of one trophy fish of each species for the purpose of having the fish preserved by taxidermy, if the fish is transported whole.”*

The motion prevailed. So the amendment was adopted.

Mr. Merriam then moved to amend H.F. No. 1835 as follows:

Page 2, after line 4, insert:

*“(c) Paragraph (b) does not apply if the governor issues a waiver as provided in this paragraph. The governor may issue a waiver of the requirements of paragraph (b) and subdivisions 2, 3, and 4 if after negotiations with authorized representatives of Ontario, the governor determines that the waiver is in the best interest of the citizens of the state.”*

The motion prevailed. So the amendment was adopted.

H.F. No. 1835 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 35 and nays 16, as follows:

Those who voted in the affirmative were:

Adkins	Hanson	Laidig	Murphy	Price
Benson, J.E.	Janezich	Larson	Neuville	Riveness
Berg	Johnson, D.E.	Lessard	Oliver	Runbeck
Day	Johnson, D.J.	Marty	Olson	Samuelson
Dille	Johnson, J.B.	McGowan	Pariseau	Solon
Finn	Krentz	Moe, R.D.	Piper	Stevens
Frederickson	Kroening	Morse	Pogemiller	Stumpf

Those who voted in the negative were:

Anderson	Flynn	Knutson	Merriam	Robertson
Belanger	Johnston	Lesewski	Pappas	Spear
Benson, D.D.	Kiscaden	Luther	Ranum	Wiener
Betzold				

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

## MOTIONS AND RESOLUTIONS – CONTINUED

Mr. Riveness moved that S.F. No. 2195, No. 18 on General Orders, be stricken and returned to its author. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate revert to the Order of Business of Reports of Committees. The motion prevailed.

## REPORTS OF COMMITTEES

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

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

S.F. No. 2168: 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.

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

Page 3, line 21, delete "agriculture" and insert "public safety"

Page 3, delete section 6 and insert:

"Sec. 6. [TRANSFER; GRAIN INSPECTION ACCOUNT.]

*\$200,000 is appropriated from the general fund for transfer to the grain inspection and weighing account established under Minnesota Statutes, section 17B.15, subdivision 1."*

Page 5, line 24, delete "\$1,200,000" and insert "\$900,000"

Page 5, line 32, delete "\$2,000,000" and insert "\$1,500,000"

Page 5, line 35, delete "\$1,441,000" and insert "\$1,050,000"

Page 6, after line 24, insert:

"Sec. 17. [APPROPRIATION; BEAVER CONTROL.]

*\$50,000 is appropriated to the commissioner of agriculture for a grant to the beaver damage control joint powers board formed by Beltrami, Clearwater, Marshall, Pennington, Polk, and Red Lake counties, for the purpose of beaver damage control. The grant must be matched by at least \$30,000 from the joint powers board. This appropriation is available until June 30, 1995."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, delete "certain emergency employment" and insert "grain inspection"

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

Ms. Berglin from the Committee on Health Care, 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 timelines 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; 144.581, subdivision 2; 256.9358, subdivision 4; 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 subdivisions; 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; 256.9354, subdivision 5; 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; Laws 1992, chapter 549, article 9, section 22; proposing coding for new law in Minnesota Statutes, chapters 62A; 62J; 62N; 62P; and 144; 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:

Page 4, line 31, after the period, insert "*Community networks and chemical dependency facilities under contract with a community network shall use the assessment criteria in Minnesota Rules, parts 9530.6600 to 9530.6660, when assessing enrollees for chemical dependency treatment.*"

Page 5, line 7, delete "*community integrated*"

Page 5, line 8, delete "*service network*" and insert "*health plan company, with the exception of a community integrated service network or an indemnity insurer licensed under chapter 60A who does not offer a preferred provider network,*"

Page 6, line 17, delete "Every" and insert "Each health plan company with the exception of community integrated service networks and the health plan companies that are exempt under subdivision 6"

Page 6, line 18, delete "managed care plan"

Page 6, line 20, delete "managed care plan" and insert "health plan company"

Page 6, lines 22 and 23, delete "managed care plan's" and insert "health plan company's"

Page 6, line 25, delete "managed care plan" and insert "health plan company" and after the period, insert "A community integrated service network may offer to its enrollees an expanded network of allied independent health providers as described under this section."

Page 6, lines 27, 28, and 36, delete "managed care plan" and insert "health plan company"

Page 7, lines 3 and 4, delete "managed care plan" and insert "health plan company"

Page 7, lines 13, 25, and 34, delete "managed care plan" and insert "health plan company"

Page 8, delete lines 23 and 24 and insert:

"Subd. 2. [NET WORTH.] "Net worth" means admitted assets as defined in subdivision 3, minus liabilities. Liabilities do not include those obligations that are subordinated in the same manner as preferred ownership claims under section 60B.44, subdivision 10. For purposes of this subdivision, preferred ownership claims under section 60B.44, subdivision 10, include promissory notes subordinated to all other liabilities of the community integrated service network."

Page 8, after line 29, insert:

"Subd. 4. [ACCREDITED CAPITATED PROVIDER.] "Accredited capitated provider" means a health care providing entity that:

(1) receives capitated payments from a community network or under a contract to provide health services to the network's enrollees. For purposes of this section, a health care providing entity is "capitated" when its compensation arrangement with a network involves the provider's acceptance of material financial risk for the delivery of a predetermined set of services for a specified period of time;

(2) is licensed to provide and provides the contracted services, either directly or through an affiliate. For purposes of this section, an "affiliate" is any person that directly or indirectly controls, is controlled by, or is under common control with the health care providing entity, and "control" exists when any person, directly or indirectly, owns, controls, or holds the power to vote or holds proxies representing no less than 80 percent of the voting securities or governance rights of any other person;

(3) agrees to serve as an accredited capitated provider of a community network or for the purpose of reducing the network's net worth and deposit requirements under section 62N.28; and

(4) is approved by the commissioner as an accredited capitated provider for a community network in accordance with section 62N.31.

Subd. 5. [PERCENTAGE OF RISK CEDED.] "Percentage of risk ceded" means the ratio, expressed as a percentage, between capitated payments made or, in the case of a new entity, expected to be made by a community network to all accredited capitated providers during any contract year and the total premium revenue, adjusted to eliminate expected administrative costs, received for the same time period by the network.

Subd. 6. [PROVIDER AMOUNT AT RISK.] "Provider amount at risk" means a dollar amount certified by a qualified actuary to represent the expected direct costs to an accredited capitated provider for providing the contracted, covered health care services to the enrollees of the network to which it is accredited for a period of 90 days."

Page 9, line 28, delete "(a)"

Page 9, line 32, delete "\$500,000" and insert "50 percent of the amount required under subdivisions 1 to 3"

Page 9, line 34, delete "\$750,000" and insert "75 percent of the amount required under subdivisions 1 to 3"

Page 9, line 36, delete "\$875,000" and insert "87.5 percent of the amount required under subdivisions 1 to 3"

Page 10, line 2, delete "\$1,000,000" and insert "100 percent of the amount required under subdivisions 1 to 3"

Page 10, delete lines 4 to 7 and insert:

"Subd. 5. [NET WORTH REDUCTION.] If a community network has contracts with accredited capitated providers, and only for so long as those contracts or successor contracts remain in force, the net worth requirement of subdivision 1 shall be reduced by the percentage of risk ceded, but in no event shall the net worth requirement be reduced to less than \$1,000,000. The phase-in requirements of subdivision 4 shall not be affected by this reduction."

Pages 10 to 14, delete sections 11 and 12 and insert:

"Sec. 11. [62N.31] [STANDARDS FOR ACCREDITED CAPITATED PROVIDER ACCREDITATION.]

Subdivision 1. [GENERAL.] Each health care providing entity seeking initial accreditation as an accredited capitated provider shall submit to the commissioner of health sufficient information to establish that the applicant has operational capacity, facilities, personnel, and financial capability to provide the contracted covered services to the enrollees of the network for which it seeks accreditation (1) on an ongoing basis; and (2) for a period of 90 days following the insolvency of the network without receiving payment from the network. Accreditation shall continue until abandoned by the accredited capitated provider or revoked by the commissioner in accordance with subdivision 4. The applicant may establish financial capability by demonstrating that the provider amount at risk can be covered by or through any of allocated or restricted funds, a letter of credit, the taxing authority of the applicant or governmental sponsor of the applicant, an unrestricted fund balance at least two times the provider amount at risk, reinsurance, either

*purchased directly by the applicant or by the community network to which it will be accredited, or any other method accepted by the commissioner.*

*Subd. 2. [ANNUAL REPORTING PERIOD.] Each accredited capitated provider shall submit to the commissioner annually, no later than April 15, the following information for each network to which it is accredited, the provider amount at risk for that year, the number of enrollees for the network, both for the prior year and estimated for the current year, any material change in the provider's operational or financial capacity since its last report, and any other information reasonably requested by the commissioner.*

*Subd. 3. [ADDITIONAL REPORTING.] Each accredited capitated provider shall provide the commissioner with 60 days' advance written notice of termination of the accredited capitated provider relationship with a network.*

*Subd. 4. [REVOCAION OF ACCREDITATION.] The commissioner may revoke the accreditation of an accredited capitated provider if the accredited capitated provider's ongoing operational or financial capabilities fail to meet the requirements of this section. The revocation shall be handled in the same fashion as placing a health maintenance organization under administrative supervision."*

Pages 16 and 17, delete section 17

Page 17, line 3, delete "17" and insert "16"

Renumber the sections of article 1 in sequence

Page 17, line 11, before the period, insert "and shall make available to consumers and purchasers all public data collected by the information clearinghouse"

Page 18, line 24, after the period, insert "This enrollment information provided by health plan companies and group purchasers shall be classified as private data on individuals as defined in section 13.02, subdivision 12."

Page 18, line 25, delete ", in consultation with the data institute, may"

Page 18, delete line 26

Page 18, line 27, delete everything before the period and insert "may make a grant to the data institute to assist in funding with the administration of the patient satisfaction survey" and delete "private sector" and insert "data institute"

Page 18, line 28, delete "entity"

Page 18, line 29, after the period, insert "The raw unaggregated data shall be classified as private data on individuals as defined in section 13.02, subdivision 12."

Page 20, line 14, delete "and reported"

Page 20, line 15, before the period, insert "but shall not be reported" and after the period, insert "The commissioner, in consultation with the data institute and counties, shall report to the legislature by December 15, 1994, on recommendations on how this collected data can be reported in a manner that addresses the privacy interests of individuals."

Page 21, line 20, after "62M.16" insert "and section 72A.201, subdivisions 8 and 8a"

Page 21, line 23, after "62M.16" insert "and section 72A.201, subdivisions 8 and 8a"

Page 28, delete section 17 and insert:

"Sec. 17. [62Q.035] [TRANSITION FEE.]

*Subdivision 1. [TRANSITION FEE.] After April 1, 1994, no health plan company may be given a certificate to operate a new health maintenance organization under chapter 62D, be licensed as an integrated service network or community integrated service network under chapter 62N, or form an affiliation with and shift current enrolled persons to one of these organizations, without payment of a transitional fee to be paid as follows:*

*(1) the fee must be determined by the commissioner of health and must be based on and comprised of the entire difference between the reserves currently held on current enrollees and the reserve requirements allowed for those enrollees under health maintenance organization, integrated service network, or community integrated service network reserve requirements;*

*(2) the fee must be voluntarily paid by the health plan company to the commissioner of health and certified as appropriate by the appropriate state regulator before the current enrollees may be covered under any new structure and before a new license or certificate may be issued; and*

*(3) in no case may the net worth of an existing health plan company fall more than ten percent below the level in place as of April 1, 1994, except through compliance with this section.*

*Subd. 2. [DEPOSIT.] Fees paid under this section must be paid to the commissioner of health for deposit in the health care access fund. One-third of all revenues shall annually be appropriated to the Minnesota comprehensive health association and may only be used to lower the assessments paid by association members. Two-thirds of the fees shall be annually appropriated to the reinsurance and risk adjustment association and shall be used by the association to lower the amount charged to association members for reinsurance.*

*Subd. 3. [REPORT.] A health plan company that lowers reserves more than one-half of one percent below the total dollar level held on April 1, 1994, must file a report with the departments of commerce and health specifying the exact amounts spent from reserves and the purposes for which those amounts were spent. The report shall document compliance with this section and compliance with any other appropriate state laws."*

Page 30, line 10, after the second semicolon, insert "homeless persons;"

Page 30, line 18, delete "health plan company" and insert "community integrated service network or an indemnity insurer licensed under chapter 60A who does not offer any policies through a preferred provider network"

Page 31, delete lines 10 to 18 and insert:

*"Subdivision 1. [ESTABLISHED.] The commissioners of health and commerce shall make dispute resolution processes available to encourage early settlement of disputes in order to avoid the time and cost associated with litigation and other formal adversarial hearings. For purposes of this section, "dispute resolution" means the use of negotiation, mediation, arbitration,*

*mediation-arbitration, neutral fact finding, and minitrials. These processes shall be nonbinding unless otherwise agreed to by all parties to the dispute.*

Subd. 2. [REQUIREMENTS.] (a) *If an enrollee, health care provider, or applicant for network provider status chooses to use a dispute resolution process prior to the filing of a formal claim or of a lawsuit, the health plan company must participate.*

(b) *If an enrollee, health care provider, or applicant for network provider status chooses to use a dispute resolution process after the filing of a lawsuit, the health plan company must participate in dispute resolution, including, but not limited to, alternative dispute resolution under rule 114 of the Minnesota general rules of practice.*

(c) *The commissioners of health and commerce shall inform and educate health plan companies' enrollees about dispute resolution and its benefits.*

(d) *A health plan company may encourage but not require an enrollee to submit a complaint to alternative dispute resolution."*

Page 31, after line 23, insert:

"Sec. 22. [62Q.135] [CONTRACTING FOR CHEMICAL DEPENDENCY SERVICES.]

*No health plan company shall contract with a chemical dependency treatment program, unless the program participates in the chemical dependency treatment accountability plan established by the commissioner of human services. The commissioner of human services shall make data on chemical dependency services and outcomes collected through this program available to health plan companies."*

Page 31, line 27, before the period, insert "or services for sexually transmitted diseases"

Page 32, line 5, delete "32" and insert "24"

Renumber the sections of article 2 in sequence

Page 35, line 2, before "REVENUE" insert "INTERIM HEALTH PLAN COMPANY" and strike "FOR HEALTH PLAN"

Page 35, line 3, strike "COMPANY"

Page 35, line 15, after the stricken "assessments" insert " "Total revenue" means the sum of all premium and consumer cost-sharing revenue received directly by the health plan company.

(d) "Net revenue" means total revenue minus exempted taxes and assessments.

(e)"

Page 35, line 25, delete "(d)" and insert "(f)" and after "cost-sharing" insert "or subscriber liability"

Page 35, line 26, delete "requirements" and insert "payments"

Page 35, delete lines 27 to 30 and insert:

"(g) "Total expenditures" means incurred claims or expenditures on health

*care services, administrative expenses, charitable contributions, and all other payments made by health plan companies out of premium revenues."*

Page 35, line 32, before "revenue" insert "and net"

Page 36, line 12, before "revenue" insert "and net"

Page 36, delete line 13 and insert "month or cost total and net revenue per employee per month, and"

Page 36, line 14, strike "detailed information on" and delete "total aggregate revenue" and strike "and"

Page 36, line 15, strike "reserves" and insert "and total expenditures per member per month or cost per employee per month" and after the period, insert "The commissioner shall also monitor trends in consumer cost-sharing and reserves."

Page 36, strike lines 16 and 17

Page 36, line 18, strike "chapter 62J," and insert "use data collected under section 62J.38 to monitor compliance with the revenue limits"

Page 36, line 19, after the period, insert "Additional data may be required for the purposes of making the adjustments allowed in this subdivision to total revenue before limits are applied."

Page 36, line 29, reinstate the stricken "September 1," and delete "June 1,"

Page 37, line 16, delete "revenue" and strike "target" and insert "revenue limit"

Page 37, line 26, delete "revenue"

Page 37, line 27, strike "target" and insert "revenue limit"

Page 38, line 10, strike "expenditure" and insert "limit"

Page 38, line 26, delete "general" and insert "health care access"

Page 39, line 20, reinstate the stricken "September 1," and delete "June 1,"

Page 40, line 2, after the period, insert "For purposes of this section, definitions related to the implementation of limits for providers other than hospitals are included in Minnesota Rules, chapter 4650, and definitions related to the implementation of limits for hospitals are included in Minnesota Rules, chapter 4651."

Page 40, lines 11 to 16, delete the new language

Page 40, line 20, strike " , hospitals,"

Page 40, line 23, strike "overspent" and insert "exceeding the revenue limits"

Page 40, line 27, delete "averaged" and insert "based on a weighted average"

Page 40, line 28, before "previous" insert "weighted average for the"

Page 40, line 35, delete from "The" through page 41, line 4, to "1995."

Page 41, line 6, delete "overspent" and insert "exceeding the fee limit"

Page 41, line 8, after "revenue" insert "or fee"

Page 41, line 10, delete "target" and insert "or fee limit"

Page 41, line 17, delete the new language

Page 41, line 18, delete the new language and strike the old language

Page 41, strike lines 19 to 21

Page 41, line 23, delete "overspent" and insert "exceeding the revenue or fee limit"

Page 41, line 32, delete "general" and insert "health care access"

Page 43, line 18, after the comma, insert "and"

Page 43, line 19, delete ", and child care facilities"

Page 44, after line 11, insert:

*"Subd. 4. [ADVISORY COMMITTEE.] The commissioner shall convene an advisory committee made up of a broad array of health care professionals that will be affected by the fee schedule. Recommendations of this committee must be submitted to the commissioner by November 15, 1994, and must be incorporated in the implementation report due January 1, 1995."*

Page 44, line 12, delete "4" and insert "5"

Page 45, line 17, delete "increase" and insert "change"

Page 47, line 6, delete from "Payment" through page 47, line 12, to "care." and insert "Payment rates must be standardized on a statewide basis based on Minnesota specific claims level data available to the commissioner. Rates must be consistent with the overall growth rate for health care spending. Payment rates may be adjusted for area wage rates and other factors."

Page 48, line 24, delete "any other hospital" and insert "another facility licensed under sections 144.50 to 144.58 and operating as an acute care community hospital"

Page 49, line 12, after the period, insert "In setting rate of increase limits for institutional providers, the commissioner shall consider outcomes, comprehensiveness of services, and the special needs and severity of illness of patients treated by individual providers."

Page 51, line 23, delete "ADVOCACY" and insert "SERVICES"

Page 51, lines 25 and 28, delete "advocacy" and insert "services"

Page 52, line 2, before the period, insert "including the fact-finding and dispute resolution process established under section 62Q.30"

Page 52, line 8, after the period, insert "The health department shall periodically summarize the number, type, and resolution of complaints received by the department from ISN enrollees, and shall make that information available through the office of consumer information."

Page 52, lines 10, 16, and 23, delete "advocacy" and insert "services"

Page 52, line 19, before the period, insert "or local ombudsperson"



Page 54, line 33, after "populations," insert "facilitate the utilization of cost effective alternatives to traditional inpatient acute and extended health care delivery,"

Page 55, line 8, delete "'appropriate and necessary.'" and insert "appropriate and necessary care, in terms of type, frequency, level, setting, and duration of services which address the enrollee's mental and physical condition."

Page 55, line 29, delete "and"

Page 55, line 30, after "funding" insert ";

(9) cost savings resulting from the inclusion of a health care service that will decrease the utilization of other health care services in the benefit set; and

(10) cost efficient and effective alternatives to inpatient health care services for acute or extended health care needs, such as home health care services"

Page 55, line 36, after the period, insert "The health care provider representatives must include both physicians and allied independent health care providers representing both physical and mental health conditions."

Page 56, after line 14, insert:

"Subd. 7. [CHEMICAL DEPENDENCY SERVICES.] If chemical dependency services are included in the universal standard benefits set, the commissioner shall consider the cost effectiveness of requiring health plan companies and chemical dependency facilities to use the assessment criteria in Minnesota Rules, parts 9530.6600 to 9530.6660."

Page 56, line 26, delete ", subdivision 2"

Page 57, line 25, before "financial" insert "severe" and delete "catastrophe" and insert "hardship"

Page 57, line 27, delete from "child" through page 57, line 29, to "to" and after "cost-sharing" insert "must not be applied to preventive health services as defined in Minnesota Rules, part 4685.0801, subpart 8"

Page 58, line 23, before "all" insert "to the enrollee" and delete "cost-sharing to"

Page 58, line 24, delete "the enrollee" and insert "premium" and after the comma, insert "and may return all or part of an enrollee's cost-sharing for"

Page 58, line 33, after the period, insert "The commissioner shall make a report and recommendation to the legislature on the establishment of the expedited fact finding and dispute resolution process by January 1, 1996."

Page 59, line 1, delete "may" and insert "shall"

Page 59, line 2, after "experts" insert "knowledgeable, trained, and practicing in the area in dispute"

Page 59, line 4, delete "may fine or revoke" and insert "shall take steps including but not limited to fining, suspending, or revoking"

Page 59, after line 7, insert:

"Sec. 9. [COMPLAINT PROCEDURE.]

*The commissioners of health and commerce shall develop an internal grievance procedure and appeals process to be used by all health plan companies. The commissioner shall make a report of recommendations to the legislature by January 1, 1995. In developing the report and recommendations, the commissioner shall consider the current prepaid medical assistance and health maintenance organization internal grievance procedure as models."*

Renumber the sections of article 4 in sequence

Page 60, after line 1, insert:

**"Sec. 3. [INTEGRATED STATE ADMINISTERED PUBLIC PROGRAM.]**

*The commissioner of human services in consultation with representatives of counties and consumer groups shall develop an implementation plan for the integration of MinnesotaCare and general assistance medical care into a single cost effective program by July 1, 1996, adding medical assistance into this integrated program under a federal demonstration project waiver by July 1, 1997. The commissioner shall submit the plan including necessary implementation legislation to the legislature by February 1, 1995. The legislation must include:*

*(1) a definition of services covered by the integrated program, excluding supplemental and long-term care benefits, and supporting actuarial data;*

*(2) a single set of criteria to determine eligibility for the integrated program;*

*(3) a request to seek a federal demonstration project waiver to include medical assistance in the integrated program; and*

*(4) a plan to define the scope and delivery of supplemental long-term care benefits to special populations.*

*The commissioner will present an update and an initial budget analysis to the legislative commission on health care access no later than December 1, 1994."*

Page 60, lines 13 and 24, delete "commissioner" and insert "commissioners of human services and employee relations"

Page 60, line 15, delete "receiving bids from" and insert "purchasing health care services for"

Page 60, delete line 16 and insert "the state employees group insurance program"

Page 60, line 30, delete "representatives" and insert ", exclusive representatives of state employees"

Page 60, line 33, delete "commissioner" and insert "commissioners"

Page 60, line 34, after "health" insert "and commerce" and delete "the commissioner of commerce,"

Page 60, line 35, delete the comma

Page 61, line 6, delete "commissioner" and insert "commissioners" and after "health" insert "and commerce"

Page 62, line 23, delete "7" and insert "8"

Renumber the sections of article 5 in sequence

Page 67, line 21, delete everything after "by"

Page 67, line 22, delete "company,"

Page 67, after line 29, insert:

"(c) Paragraph (b) applies to individuals whose immediately preceding qualifying coverage is medical assistance under chapter 256B, general assistance medical care under chapter 256D, or the MinnesotaCare plan established under section 256.9352, only if the individual has disenrolled from the public program or will disenroll upon issuance of the new coverage. Paragraph (b) does not apply if the public program uses or will use public funds to pay the premiums for an individual who remains or will remain enrolled in the public program. No public funds may be used to purchase private coverage available under this paragraph. This paragraph does not prohibit public payment of premiums to continue private sector coverage originally obtained prior to enrollment in the public program, where otherwise permitted by state or federal law. Paragraph (b) applies only to persons who were enrolled in public programs for reasons other than age or disability. Portability coverage under this paragraph is subject to the provisions of section 65A.65, subdivision 5, clause (b).

(d) Effective July 1, 1994, no health plan company shall offer, sell, issue, or renew any group health plan that does not, with respect to individuals who maintain continuous coverage:

(1) make coverage available on a guaranteed issue basis; and

(2) give full credit for previous continuous coverage against any applicable preexisting condition limitation or exclusion.

To the extent that this paragraph conflicts with chapter 62L, with respect to small employers as defined in section 62L.02, chapter 62L governs."

Page 68, line 6, delete "subdivisions 6, 7, paragraph (b)" and insert "subdivision 6, paragraphs (a) and (b), and subdivision 7, paragraphs (b), (c), and (d)"

Page 71, line 30, delete "PUBLIC HEALTH" and insert "LOCAL PUBLIC ACCOUNTABILITY AND"

Page 72, line 4, delete "region" and insert "service area"

Page 72, line 9, delete everything after the period and insert "Local government units with responsibilities and authority defined under chapters 145A and 256E may designate individuals to participate in the collaborative planning with the managed care organization to provide expertise and represent community needs and goals as identified under chapters 145A and 256E."

Page 72, delete lines 10 to 12

Page 72, line 14, after "strategies" insert "and a description of any activities which contribute to public health goals and needs of high risk and special needs populations as defined and developed under chapters 145A and 256E"

Page 72, line 19, after "units" insert "and local government unit designees"

Page 72, line 33, after the period, insert "The plan may be reviewed by the county boards or city councils acting as a local board of health in accordance with chapter 145A, within the managed care organization's service area to determine whether the plan is consistent with the goals and objectives of the services plans required under chapters 145A and 256E and whether the plan meets the needs of the community. The county board, or applicable city council, may also review and make recommendations on the availability and accessibility of services provided by the managed care organization. The county board, or applicable city council, may submit written comments to the appropriate commissioner, and may advise the commissioner of the managed care organization's effectiveness in assisting to meet the needs and goals as defined under the responsibilities of chapters 145A and 256E."

Page 73, line 5, delete everything after the first "through"

Page 73, line 6, delete everything before the period and insert "a health plan company"

Page 73, line 8, delete "who is"

Page 73, delete lines 9 and 10

Page 73, line 11, delete "option" and insert "accessing the complaint and appeal procedures to ensure that necessary medical services are provided by the health plan company"

Pages 73 to 75, delete sections 3 to 7 and insert:

"Sec. 3. [62Q.33] [LOCAL GOVERNMENT PUBLIC HEALTH FUNCTIONS.]

*Subdivision 1. [FINDINGS.] The legislature finds that the local government public health functions of community assessment, policy development, and assurance of service delivery are essential elements in consumer protection and in achieving the objectives of health care reform in Minnesota. The legislature further finds that the site-based and population-based services provided by state and local health departments are a critical strategy for the long-term containment of health care costs. The legislature further finds that without adequate resources, the local government public health system will lack the capacity to fulfill these functions in a manner consistent with the needs of a reformed health care delivery system.*

*Subd. 2. [REPORT ON SYSTEM DEVELOPMENT.] The commissioner of health, in consultation with the state community health services advisory committee, the commissioner of human services, and representatives of local health departments, county government, a municipal government acting as a local board of health, the Minnesota health care commission, area Indian health services, health care providers, and citizens concerned about public health, shall coordinate the process for defining implementation and financing responsibilities of the local government core public health functions. The commissioner shall submit recommendations and an initial and final report on local government core public health functions according to the timeline established in subdivision 5.*

*Subd. 3. [CORE PUBLIC HEALTH FUNCTIONS.] (a) The report required in subdivision 2 must describe the local government core public health*

functions of: assessing community health needs; goal-determination; developing public policy and programs to address community health needs; and ensuring service availability and accessibility to meet community health goals and needs. The report must further describe activities for implementation of these functions that are the continuing responsibility of the local government public health system, taking into account the ongoing reform of the health care delivery system.

(b) The activities to be defined in terms of the local government core public health functions include, but are not limited to:

- (1) consumer protection and advocacy;
- (2) targeted outreach and linkage to personal services;
- (3) health status monitoring and disease surveillance;
- (4) investigation and control of diseases and injuries;
- (5) protection of the environment, workplaces, housing, food, and water;
- (6) laboratory services to support disease control and environmental protection;
- (7) health education and information;
- (8) community mobilization for health-related issues;
- (9) training and education of public health professionals;
- (10) public health leadership and administration;
- (11) emergency medical services;
- (12) violence prevention; and
- (13) other activities that have the potential to improve the health of the population or special needs populations and reduce the need for or cost of health care services.

**Subd. 4. [CAPACITY BUILDING, ACCOUNTABILITY AND FUNDING.]** The report required in subdivision 2 shall include:

- (1) a definition of minimum outcomes for implementing core public health functions, including a local ombudsperson under the assurance of services function;
- (2) the identification of counties and applicable cities with public health programs that need additional assistance to meet the minimum outcomes;
- (3) a budget for supporting all functions needed to achieve the minimum outcomes, including the local ombudsperson assurance of services function;
- (4) an analysis of the costs and benefits expected from achieving the minimum outcomes;
- (5) strategies for improving local government public health functions throughout the state to meet the minimum outcomes including: (i) funding distribution for local government public health functions necessary to meet the minimum outcomes; and (ii) strategies for the financing of personal health care services within the uniform benefits set, and identifying appropriate mechanisms for the delivery of these services; and

(6) a recommended level of dedicated funding for local government public health functions in terms of a percentage of total health service expenditures by the state or in terms of a per capita basis, including methods of allocating the dedicated funds to local government.

Subd. 5. [TIMELINE.] (a) By October 1, 1994, the commissioner shall submit to the legislative commission on health care access the initial report and recommendations required by subdivisions 2 to 4.

(b) By February 15, 1995, the commissioner, in cooperation with the legislative commission on health care access, shall submit a final report to the legislature, with specific recommendations for capacity building and financing to be implemented over the period from January 1, 1996, to December 31, 1997.

(c) By January 1, 1997, and by January 1 of each odd-numbered year thereafter, the commissioner shall present to the legislature an updated report and recommendations."

Page 75, after line 32, insert:

"Sec. 5. [PREPAID MEDICAL ASSISTANCE PLAN STUDY.]

The commissioners of health and human services shall study the coordination between health care reform and the prepaid medical assistance plan. The study must also determine whether there have been cost savings, cost increases, or cost shifting under current implementation of the prepaid medical assistance plan. The commissioners shall jointly report their findings to the legislature by January 1, 1995."

Page 75, line 34, delete "8" and insert "5"

Renumber the sections of article 7 in sequence

Page 84, after line 24, insert:

"Sec. 15. [62J.051] [DISTRIBUTION OF HEALTH CARE TECHNOLOGY, FACILITIES, AND FUNCTIONS; PUBLIC FORUMS.]

The commission may promote and facilitate an open, voluntary, nonregulatory, and public process for regional and statewide discussion regarding the appropriate distribution of health care technologies, facilities, and functions. The process must include the participation of consumers, employers and other group purchasers, providers, health plan companies, and the health care technology industry. The commission shall ensure opportunities for broad-based public input from other interested persons and organizations as well. The purpose of the process is to create an open public forum with the goal of facilitating collaboration for the distribution of a particular technology, facility, or function to achieve health reform goals. Participation in the forums is voluntary and agreements or distribution plans that may be recommended through this process are not mandatory or binding on any person or organization. The recommendations may be considered by the commissioner of health for purposes of the antitrust exception process under sections 62J.2911 to 62J.2921, and the process for reviewing major spending commitments under section 62J.17, but are not binding on the commissioner. The commission may develop criteria for selecting specific technologies, facilities, and functions for discussion and may establish procedures and ground rules for discussion and the development of recommended agreements or distribution plans. The commission may appoint advisory committees to facilitate

discussion and planning and may request that regional coordinating boards serve as or convene regional public forums.”

Page 87, after line 36, insert:

**“Sec. 20. [62J.47] [MORATORIUM ON MERGERS OR ACQUISITIONS BY HEALTH CARRIERS.]**

*Subdivision 1. [DEFINITIONS.] For purposes of this section, “health carrier” has the meaning given in section 62A.011, subdivision 2.*

*Subd. 2. [RESTRICTIONS.] Until July 1, 1996, the following health carriers are prohibited from merging with, or acquiring, directly or indirectly, any other health carrier:*

*(1) a health carrier whose number of enrollees residing in the state in the previous calendar year exceeds five percent of the total number of insured persons in that year residing in the state of Minnesota; and*

*(2) a health carrier whose number of enrollees residing in the seven-county metropolitan area in the previous calendar year exceeds ten percent of the total number of insured persons in that year residing in the seven-county metropolitan area.*

*Subd. 3. [ENFORCEMENT.] The district court in Ramsey county has jurisdiction to enjoin an alleged violation of subdivision 2. The attorney general may bring an action to enjoin an alleged violation. The commissioner of health or commerce shall not issue or renew a license or certificate of authority to any health carrier in violation of subdivision 2.*

*Subd. 4. [EXCEPTION.] This section does not apply to any merger or direct or indirect acquisition pursuant to a letter of intent, memorandum of understanding, or other agreement signed before March 17, 1994, or to any merger or direct or indirect acquisition which develops pursuant to an affiliation for which a letter of intent, memorandum of understanding, or other agreement was signed before March 17, 1994.”*

Page 99, after line 19, insert:

**“Sec. 30. Minnesota Statutes 1992, section 144.335, is amended by adding a subdivision to read:**

**Subd. 5a. [NOTICE OF RIGHTS; INFORMATION ON RELEASE.] (a)** A provider shall provide to patients, in a clear and conspicuous manner, a written notice concerning practices and rights with respect to access to health records. The notice must include an explanation of:

*(1) disclosures of health records that may be made without the written consent of the patient, including the type of records and to whom the records may be disclosed; and*

*(2) the right of the patient to have access to and obtain copies of the patient's health records and other information about the patient that is maintained by the provider.*

*The notice requirements of this paragraph are satisfied if the notice is included with the notice and copy of the patient and resident bill of rights under section 144.652 or if it is displayed prominently in the provider's place of business.*

*(b) Upon the patient's specific request, a provider shall tell the patient to whom the provider has disseminated the patient's health records and other information about the patient."*

Page 100, after line 12, insert:

"Sec. 34. Minnesota Statutes 1993 Supplement, section 256.9353, subdivision 3, is amended to read:

Subd. 3. [INPATIENT HOSPITAL SERVICES.] (a) Beginning July 1, 1993, covered health services shall include inpatient hospital services, including inpatient hospital mental health services and inpatient hospital and residential chemical dependency treatment, subject to those limitations necessary to coordinate the provision of these services with eligibility under the medical assistance spend-down. The inpatient hospital benefit for adult enrollees is subject to an annual benefit limit of \$10,000. The commissioner shall provide enrollees with at least 60 days' notice of coverage for inpatient hospital services and any premium increase associated with the inclusion of this benefit.

(b) Enrollees determined by the commissioner to have a basis of eligibility for medical assistance shall apply for and cooperate with the requirements of medical assistance by the last day of the third month following admission to an inpatient hospital. If an enrollee fails to apply for medical assistance within this time period, the enrollee and the enrollee's family shall be disenrolled from the plan within one calendar month. Enrollees and enrollees' families disenrolled for not applying for or not cooperating with medical assistance may not reenroll.

(c) Admissions for inpatient hospital services paid for under section 256.9362, subdivision 3, must be certified as medically necessary in accordance with Minnesota Rules, parts 9505.0500 to 9505.0540, except as provided in clauses (1) and (2):

(1) all admissions must be certified, except those authorized under rules established under section 254A.03, subdivision 3, or approved under Medicare; and

(2) payment under section 256.9362, subdivision 3, shall be reduced by five percent for admissions for which certification is requested more than 30 days after the day of admission. The hospital may not seek payment from the enrollee for the amount of the payment reduction under this clause.

Sec. 35. Minnesota Statutes 1993 Supplement, section 256.9353, subdivision 7, is amended to read:

Subd. 7. [COPAYMENTS AND COINSURANCE.] The MinnesotaCare benefit plan shall include the following copayments and coinsurance requirements:

(1) ten percent of the charges submitted for inpatient hospital services for adult enrollees not eligible for medical assistance, subject to an annual inpatient out-of-pocket maximum of \$1,000 per individual and \$3,000 per family;

(2) \$3 per prescription for adult enrollees; and

(3) \$25 for eyeglasses for adult enrollees.



Enrollees who would be eligible for medical assistance with a spend down shall be financially responsible for the coinsurance amount up to the spend down limit or the coinsurance amount, whichever is less, in order to become eligible for the medical assistance program. Enrollees who are not eligible for medical assistance with or without a spenddown shall be financially responsible for the coinsurance amount and amounts which exceed the \$10,000 benefit limit. MinnesotaCare shall be financially responsible for the spenddown amount up to the \$10,000 benefit limit for enrollees who are eligible for medical assistance with a spenddown; enrollees who are eligible for medical assistance with a spenddown are financially responsible for amounts which exceed the \$10,000 benefit limit.

Sec. 36. Minnesota Statutes 1993 Supplement, section 256.9354, subdivision 1, is amended to read:

Subdivision 1. [CHILDREN; EXPANSION AND CONTINUATION OF ELIGIBILITY.] (a) [CHILDREN.] "Eligible persons" means children who are one year of age or older but less than 18 years of age who have gross family incomes that are equal to or less than 150 percent of the federal poverty guidelines and who are not eligible for medical assistance *without a spenddown* under chapter 256B and who are not otherwise insured for the covered services. The period of eligibility extends from the first day of the month in which the child's first birthday occurs to the last day of the month in which the child becomes 18 years old.

(b) [EXPANSION OF ELIGIBILITY.] Eligibility for MinnesotaCare shall be expanded as provided in subdivisions 2 to 5, except children who meet the criteria in this subdivision shall continue to be enrolled pursuant to this subdivision. The enrollment requirements in this paragraph apply to enrollment under subdivisions 1 to 5. Parents who enroll in the MinnesotaCare plan must also enroll their children and dependent siblings, if the children and their dependent siblings are eligible. Children and dependent siblings may be enrolled separately without enrollment by parents. However, if one parent in the household enrolls, both parents must enroll, unless other insurance is available. If one child from a family is enrolled, all children must be enrolled, unless other insurance is available. If one spouse in a household enrolls, the other spouse in the household must also enroll, unless other insurance is available. Families cannot choose to enroll only certain uninsured members. For purposes of this section, a "dependent sibling" means an unmarried child who is a full-time student under the age of 25 years who is financially dependent upon a parent. Proof of school enrollment will be required.

(c) [CONTINUATION OF ELIGIBILITY.] Individuals who initially enroll in the MinnesotaCare plan under the eligibility criteria in subdivisions 2 to 5 remain eligible for the MinnesotaCare plan, regardless of age, place of residence, or the presence or absence of children in the same household, as long as all other eligibility criteria are met and residence in Minnesota and continuous enrollment in the MinnesotaCare plan or medical assistance are maintained. In order for either parent or either spouse in a household to remain enrolled, both must remain enrolled, unless other insurance is available.

Sec. 37. Minnesota Statutes 1993 Supplement, section 256.9354, subdivision 4, is amended to read:

Subd. 4. [FAMILIES WITH CHILDREN; ELIGIBILITY BASED ON PERCENTAGE OF INCOME PAID FOR HEALTH COVERAGE.] Beginning January 1, 1993, "eligible persons" means children, parents, and

dependent siblings residing in the same household who are not eligible for medical assistance *without a spenddown* under chapter 256B. Children who meet the criteria in subdivision 1 shall continue to be enrolled pursuant to subdivision 1. Persons who are eligible under this subdivision or subdivision 2, 3, or 5 must pay a premium as determined under sections 256.9357 and 256.9358, and children eligible under subdivision 1 must pay the premium required under section 256.9356, subdivision 1. Individuals and families whose income is greater than the limits established under section 256.9358 may not enroll in MinnesotaCare.

Sec. 38. Minnesota Statutes 1993 Supplement, section 256.9354, subdivision 5, is amended to read:

Subd. 5. [ADDITION OF SINGLE ADULTS AND HOUSEHOLDS WITH NO CHILDREN.] Beginning July 1, 1994, "eligible persons" means all families and individuals who are not eligible for medical assistance *without a spenddown* under chapter 256B. These persons are eligible for coverage through the MinnesotaCare plan but must pay a premium as determined under sections 256.9357 and 256.9358. Individuals and families whose income is greater than the limits established under section 256.9358 may not enroll in the MinnesotaCare plan.

Sec. 39. Minnesota Statutes 1993 Supplement, section 256.9354, subdivision 6, is amended to read:

Subd. 6. [APPLICANTS POTENTIALLY ELIGIBLE FOR MEDICAL ASSISTANCE.] Individuals who apply for MinnesotaCare, but who are potentially eligible for medical assistance *without a spenddown* shall be allowed to enroll in MinnesotaCare for a period of 60 days, so long as the applicant meets all other conditions of eligibility. The commissioner shall identify and refer such individuals to their county social service agency. The enrollee must cooperate with the county social service agency in determining medical assistance eligibility within the 60-day enrollment period. Enrollees who do not apply for and cooperate with medical assistance within the 60-day enrollment period, and their other family members, shall be disenrolled from the plan within one calendar month. Persons disenrolled for nonapplication for medical assistance may not reenroll until they have obtained a medical assistance eligibility determination for the family member or members who were referred to the county agency. Persons disenrolled for noncooperation with medical assistance may not reenroll until they have cooperated with the county agency and have obtained a medical assistance eligibility determination. The commissioner shall redetermine provider payments made under MinnesotaCare to the appropriate medical assistance payments for those enrollees who subsequently become eligible for medical assistance.

Sec. 40. Minnesota Statutes 1993 Supplement, section 256.9362, subdivision 6, is amended to read:

Subd. 6. [ENROLLEES 18 OR OLDER.] Payment by the MinnesotaCare program for inpatient hospital services provided to MinnesotaCare enrollees who are 18 years old or older on the date of admission to the inpatient hospital must be in accordance with paragraphs (a) and (b).

(a) If the medical assistance rate minus any copayment required under section 256.9353, subdivision 6, is less than or equal to the amount remaining in the enrollee's benefit limit under section 256.9353, subdivision 3, payment must be the medical assistance rate minus any copayment required under

section 256.9353, subdivision 6. The hospital must not seek payment from the enrollee in addition to the copayment. The MinnesotaCare payment plus the copayment must be treated as payment in full.

(b) If the medical assistance rate minus any copayment required under section 256.9353, subdivision 6, is greater than the amount remaining in the enrollee's benefit limit under section 256.9353, subdivision 3, payment must be the lesser of:

(1) the amount remaining in the enrollee's benefit limit; or

(2) charges submitted for the inpatient hospital services less any copayment established under section 256.9353, subdivision 6.

The hospital may seek payment from the enrollee for the amount by which usual and customary charges exceed the payment under this paragraph. *If payment is reduced under section 256.9353, subdivision 3, paragraph (c), the hospital may not seek payment from the enrollee for the amount of the reduction.*

Sec. 41. Minnesota Statutes 1993 Supplement, section 256.9363, subdivision 6, is amended to read:

Subd. 6. [COPAYMENTS AND BENEFIT LIMITS.] Enrollees are responsible for all copayments in section 256.9353, subdivision 6, and shall pay copayments to the managed care plan or to its participating providers. The enrollee is also responsible for payment of inpatient hospital charges which exceed the MinnesotaCare benefit limit ~~to the managed care plan or its participating providers.~~

Sec. 42. Minnesota Statutes 1993 Supplement, section 256.9363, subdivision 7, is amended to read:

Subd. 7. [MANAGED CARE PLAN VENDOR REQUIREMENTS.] The following requirements apply to all counties or vendors who contract with the department of human services to serve MinnesotaCare recipients. Managed care plan contractors:

(1) shall authorize and arrange for the provision of the full range of services listed in section 256.9353 in order to ensure appropriate health care is delivered to enrollees;

(2) shall accept the prospective, per capita payment or other contractually defined payment from the commissioner in return for the provision and coordination of covered health care services for eligible individuals enrolled in the program;

(3) may contract with other health care and social service practitioners to provide services to enrollees;

(4) shall provide for an enrollee grievance process as required by the commissioner and set forth in the contract with the department;

(5) shall retain all revenue from enrollee copayments;

(6) shall accept all eligible MinnesotaCare enrollees, without regard to health status or previous utilization of health services;

(7) shall demonstrate capacity to accept financial risk according to requirements specified in the contract with the department. A health mainte-

nance organization licensed under chapter 62D, or a nonprofit health plan licensed under chapter 62C, is not required to demonstrate financial risk capacity, beyond that which is required to comply with chapters 62C and 62D; and

(8) shall submit information as required by the commissioner, including data required for assessing enrollee satisfaction, quality of care, cost, and utilization of services; and

(9) shall submit to the commissioner claims in the format specified by the commissioner of human services for all hospital services provided to enrollees for the purpose of determining whether enrollees meet medical assistance spend-down requirements and shall provide to the enrollee, upon the enrollee's request, information on the cost of services provided to the enrollee by the managed care plan for the purpose of establishing whether the enrollee has met medical assistance spend-down requirements.

Sec. 43. Minnesota Statutes 1993 Supplement, section 256.9363, subdivision 9, is amended to read:

Subd. 9. [RATE SETTING.] Rates will be prospective, per capita, where possible. *The commissioner may allow health plans to arrange for inpatient hospital services on a risk or nonrisk basis.* The commissioner shall consult with an independent actuary to determine appropriate rates."

Page 102, after line 5, insert:

"Sec. 47. [317A.022] [ELECTION BY CERTAIN CHAPTER 318 ASSOCIATIONS.]

*Subdivision 1. [GENERAL.] An association described in section 318.02, subdivision 5, may elect to cease to be an association subject to and governed by chapter 318 and to become subject to and governed by this chapter in the same manner and to the extent provided in this chapter as though it were a nonprofit corporation by complying with this section.*

*Subd. 2. [AMENDED TITLE AND OTHER CONFORMING AMENDMENTS.] The declaration of trust, as defined in section 318.02, subdivision 1, of the association must be amended to identify it as the "articles of an association electing to be treated as a nonprofit corporation." All references in this chapter to "articles" or "articles of incorporation" include the declaration of trust of an electing association. If the declaration of trust includes a provision prohibited by this chapter for inclusion in articles of incorporation, omits a provision required by this chapter to be included in articles of incorporation, or is inconsistent with this chapter, the electing association shall amend its declaration of trust to conform to the requirements of this chapter. The appropriate provisions of the association's declaration of trust or bylaws or chapter 318 control the manner of adoption of the amendments required by this subdivision.*

*Subd. 3. [METHOD OF ELECTION.] An election by an association under subdivision 2 must be made by resolution approved by the affirmative vote of the trustees of the association and by the affirmative vote of the members or other persons with voting rights in the association. The affirmative vote of both the trustees of the association and of the members or other persons with voting rights, if any, in the association must be of the same proportion that is required for an amendment of the declaration of trust of the association before the election, in each case upon proper notice that a purpose of the meeting is*

to consider an election by the association to cease to be an association subject to and governed by chapter 318 and to become and be a nonprofit corporation subject to and governed by this chapter. The resolution and the articles of the amendment of the declaration of trust must be filed with the secretary of state and are effective upon filing, or a later date as may be set forth in the filed resolution. Upon the effective date, without any other action or filing by or on behalf of the association, the association automatically is subject to this chapter in the same manner and to the same extent as though it had been formed as a nonprofit corporation pursuant to this chapter. Upon the effective date of the election, the association is not considered to be a new entity, but is considered to be a continuation of the same entity.

**Subd. 4. [EFFECTS OF ELECTION.]** Upon the effective date of an association's election under subdivision 3, and consistent with the continuation of the association under this chapter:

(1) the organization has the rights, privileges, immunities, powers, and is subject to the duties and liabilities, of a corporation formed under this chapter;

(2) all real or personal property, debts, including debts arising from a subscription for membership and interests belonging to the association, continue to be the real and personal property, and debts of the organization without further action;

(3) an interest in real estate possessed by the association does not revert to the grantor, or otherwise, nor is it in any way impaired by reason of the election, and the personal property of the association does not revert by reason of the election;

(4) except where the will or other instrument provides otherwise, a devise, bequest, gift, or grant contained in a will or other instrument, in a trust or otherwise, made before or after the election has become effective, to or for the association, inures to the organization;

(5) the debts, liabilities, and obligations of the association continue to be the debts, liabilities, and obligations of the organization, just as if the debts, liabilities, and obligations had been incurred or contracted by the organization after the election;

(6) existing claims or a pending action or proceeding by or against the association may be prosecuted to judgment as though the election had not been affected;

(7) the liabilities of the trustees, members, officers, directors, or similar groups or persons, however denominated, of the association, are not affected by the election;

(8) the rights of creditors or liens upon the property of the association are not impaired by the election;

(9) an electing association may merge with one or more nonprofit corporations in accordance with the applicable provisions of this chapter, and either the association or a nonprofit corporation may be the surviving entity in the merger; and

(10) the provisions of the bylaws of the association that are consistent with this chapter remain or become effective and provisions of the bylaws that are inconsistent with this chapter are not effective.

Sec. 48. Minnesota Statutes 1992, section 318.02, is amended by adding a subdivision to read:

*Subd. 5. [ELECTION TO BE GOVERNED BY CHAPTER 317A.] An association may cease to be subject to or governed by this chapter by filing an election in the manner described in section 317A.022, to be subject to and governed by chapter 317A in the same manner and to the same extent provided in chapter 317A as though it were a nonprofit corporation if:*

*(1) it is not formed for a purpose involving pecuniary gain to its members, other than to members that are nonprofit organizations or subdivisions, units, or agencies of the United States or a state or local government; and*

*(2) it does not pay dividends or other pecuniary remuneration, directly or indirectly, to its members, other than to members that are nonprofit organizations or subdivisions, units, or agencies of the United States or a state or local government."*

Renumber the sections of article 8 in sequence

Page 103, line 10, after "organizations" insert "doing business in Minnesota."

Page 103, line 17, after "providers" insert "doing business in Minnesota"

Page 105, line 12, before the period, insert ", except as provided in subdivision 5"

Page 105, delete lines 34 to 36

Page 106, line 1, delete "other hospital outpatient"

Page 106, line 16, before the period, insert ", except as provided in subdivision 5"

Page 107, line 11, delete "or" and insert "and"

Page 107, line 15, before the period, insert ", except as provided in subdivision 5"

Page 107, after line 15, insert:

*"Subd. 5. [STATE AND FEDERAL HEALTH CARE PROGRAMS.] (a) Skilled nursing facilities and intermediate care facilities for the mentally retarded services billed to state and federal health care programs administered by the department of human services shall use the form designated by the department of human services.*

*(b) On or after July 1, 1996, state and federal health care programs administered by the department of human services shall accept the HCFA 1450 for community mental health center services, and shall accept the HCFA 1500 for freestanding ambulatory surgical center services.*

*(c) State and federal health care programs administered by the department of human services shall be authorized to use the forms designated by the department of human services for pharmacy services and for child and teen checkup services.*

*(d) State and federal health care programs administered by the department of human services shall accept the form designated by the department of*

*human services and the HCFA 1500 for supplies, medical supplies, or durable medical equipment. Health care providers may choose which form to submit."*

Page 107, delete lines 18 to 21

Page 107, line 22, delete "(b)" and before "II" insert "I and"

Page 107, line 32, before the period, insert ", except as provided in paragraph (d)"

Page 108, after line 6, insert:

*"(d) The state and federal health care programs administered by the department of human services shall use the unique identification number assigned to health care providers for implementation of the Medicaid management information system or the unique physician identification number (UPIN) assigned by the health care financing administration."*

Page 108, line 11, before the period, insert ", except as provided in paragraph (e)"

Page 108, delete lines 12 to 15 and insert:

*"(b) The unique patient identification number (UPIN) assigned by the health care financing administration shall be used as the unique identification number for individual health care providers. Providers who do not currently have a unique identification number shall request one from the health care financing administration."*

Page 108, after line 22, insert:

*"(e) The state and federal health care programs administered by the department of human services shall use the unique identification number assigned to health care providers for implementation of the Medicaid management information system or the unique physician identification number (UPIN) assigned by the health care financing administration."*

Page 109, line 14, before the period, insert ", except as provided in paragraph (e)"

Page 109, line 15, before "Following" insert "Except as provided in paragraph (d),"

Page 109, line 25, after the period, insert "This provision does not require that patients provide their social security numbers and does not require group purchasers or providers to demand that patients provide their social security numbers. Group purchasers and health care providers shall establish procedures to notify patients that they can elect not to have their social security number used as the unique patient identification number."

Page 109, after line 25, insert:

*"(e) The state and federal health care programs administered by the department of human services shall use the unique person master index (PMI) identification number assigned to clients participating in programs administered by the department of human services."*

Page 109, line 36, after the period, insert "The encryption algorithm and hardware used must not use clipper chip technology."

Page 110, line 27, delete "organizations" and insert "category I and II industry participants"

Page 110, line 33, delete "health care" and insert "category I and II industry"

Page 111, line 17, before the comma, insert "and the Minnesota center for health care electronic data interchange"

Page 112, line 34, delete "January" and insert "July"

Page 112, line 35, delete "group purchasers in this state" and insert "industry participants, except pharmacists,"

Page 112, line 36, delete "use" and insert "submit or accept, as appropriate,"

Page 113, line 2, delete "submission" and insert "transfer" and delete "to health care"

Page 113, line 3, delete "providers"

Page 113, line 4, delete "January" and insert "July" and delete "group purchasers in" and insert "industry participants, except pharmacists,"

Page 113, line 5, delete "this state" and delete "use" and insert "submit or accept, as appropriate,"

Page 113, delete lines 9 to 14

Page 113, line 15, delete "(a)" and delete "October" and insert "July"

Page 113, line 16, delete "1994" and insert "1995" and delete "group purchasers in this state" and insert "industry participants, except pharmacists,"

Page 113, lines 17 and 30, before "the" insert "or submit, as appropriate,"

Page 113, line 18, before the period, insert "(draft standard for trial use version 3030) for the electronic transfer of health care claim information" and delete "group purchasers in this state" and insert "industry participants, except pharmacists,"

Page 113, line 19, before "this" insert "or submit, as appropriate," and delete ", in a test"

Page 113, delete line 20 and insert "beginning July 1, 1996."

Page 113, delete lines 21 to 27

Page 113, line 28, delete "(a)" and delete "April" and insert "January"

Page 113, line 29, delete "1995" and insert "1996" and delete "group purchasers in this state" and insert "industry participants, except pharmacists"

Page 113, line 31, before the period, insert "(draft standard for trial use version 3030) for the electronic transfer of health care claim information" and delete "group purchasers in this state" and insert "industry participants, except pharmacists,"

Page 113, line 32, before "this" insert "or submit, as appropriate," and delete "in a test"



Page 113, delete line 33 and insert "*beginning January 1, 1997.*"

Page 113, delete lines 34 to 36

Page 114, delete lines 1 to 4

Page 114, line 5, delete "(a)" and delete "April 1, 1995" and insert "January 1, 1996"

Page 114, line 6, delete "group purchasers in this state" and insert "industry participants, except pharmacists,"

Page 114, line 7, before "the" insert "or submit, as appropriate,"

Page 114, line 8, before the period, insert "(draft standard for trial use version 3030) for the electronic transfer of health care claim information" and delete "group purchasers" and insert "industry participants, except pharmacists,"

Page 114, line 9, before "this" insert "or submit, as appropriate," and delete ", in a test production basis, by"

Page 114, delete line 10 and insert "*beginning January 1, 1997.*"

Page 114, delete lines 11 to 17

Page 114, line 20, before "pharmacists" insert "category I and II"

Page 114, line 24, delete the second "category"

Page 117, line 9, delete "60J.50 to 60J.61" and insert "62J.50 to 62J.54, subdivision 3, and 62J.56 to 62J.59"

Page 117, line 16, after the period, insert "The commissioner shall not promulgate any rules requiring patients to provide their social security numbers unless and until federal laws are modified to allow or require such action nor shall the commissioner promulgate rules which allow medical records, claims, or other treatment or clinical data to be included on the health care identification card, except as specifically provided in this chapter. The commissioner shall seek comments from the ethics and confidentiality committee of the Minnesota health data institute and the department of administration, public information policy analysis division, before adopting or publishing final rules relating to issues of patient privacy and medical records."

Page 150, line 3, before "The" insert "(a)"

Page 151, after line 14, insert:

"(b) Notwithstanding paragraph (a), the commissioner shall proceed with the enrollment of single adults and households without children in accordance with section 256.9354, subdivision 5, paragraph (a), even if the expenditures do not remain within the limits of available revenues through fiscal year 1997 to allow the departments of human services and health to develop the plan required under paragraph (a)."

Page 151, after line 31, insert:

"Sec. 3. Minnesota Statutes 1992, section 256.9355, is amended by adding a subdivision to read:

Subd. 4. [APPLICATION PROCESSING.] The commissioner of human

*services shall determine an applicant's eligibility for MinnesotaCare no more than 30 days from the date that the application is received by the department of human services. This requirement shall be suspended for four months following the dates in which single adults and families without children become eligible for the program."*

Page 152, line 15, after "nonpayment" insert "of the premium without good cause"

Page 152, after line 28, insert:

"Sec. 5. Minnesota Statutes 1993 Supplement, section 256B.0625, subdivision 13, is amended to read:

Subd. 13. [DRUGS.] (a) Medical assistance covers drugs if prescribed by a licensed practitioner and dispensed by a licensed pharmacist, or by a physician enrolled in the medical assistance program as a dispensing physician. The commissioner, after receiving recommendations from professional medical associations and professional pharmacist associations, shall designate a formulary committee to advise the commissioner on the names of drugs for which payment is made, recommend a system for reimbursing providers on a set fee or charge basis rather than the present system, and develop methods encouraging use of generic drugs when they are less expensive and equally effective as trademark drugs. The formulary committee shall consist of nine members, four of whom shall be physicians who are not employed by the department of human services, and a majority of whose practice is for persons paying privately or through health insurance, three of whom shall be pharmacists who are not employed by the department of human services, and a majority of whose practice is for persons paying privately or through health insurance, a consumer representative, and a nursing home representative. Committee members shall serve three-year terms and shall serve without compensation. Members may be reappointed once.

(b) The commissioner shall establish a drug formulary. Its establishment and publication shall not be subject to the requirements of the administrative procedure act, but the formulary committee shall review and comment on the formulary contents. The formulary committee shall review and recommend drugs which require prior authorization. The formulary committee may recommend drugs for prior authorization directly to the commissioner, as long as opportunity for public input is provided. Prior authorization may be requested by the commissioner based on medical and clinical criteria before certain drugs are eligible for payment. Before a drug may be considered for prior authorization at the request of the commissioner:

(1) the drug formulary committee must develop criteria to be used for identifying drugs; the development of these criteria is not subject to the requirements of chapter 14, but the formulary committee shall provide opportunity for public input in developing criteria;

(2) the drug formulary committee must hold a public forum and receive public comment for an additional 15 days; and

(3) the commissioner must provide information to the formulary committee on the impact that placing the drug on prior authorization will have on the quality of patient care and information regarding whether the drug is subject to clinical abuse or misuse. Prior authorization may be required by the

commissioner before certain formulary drugs are eligible for payment. The formulary shall not include:

- (i) drugs or products for which there is no federal funding;
- (ii) over-the-counter drugs, except for antacids, acetaminophen, family planning products, aspirin, insulin, products for the treatment of lice, vitamins for adults with documented vitamin deficiencies, and vitamins for children under the age of seven and pregnant or nursing women;
- (iii) any other over-the-counter drug identified by the commissioner, in consultation with the drug formulary committee, as necessary, appropriate, and cost-effective for the treatment of certain specified chronic diseases, conditions or disorders, and this determination shall not be subject to the requirements of chapter 14;
- (iv) anorectics; and
- (v) drugs for which medical value has not been established.

The commissioner shall publish conditions for prohibiting payment for specific drugs after considering the formulary committee's recommendations.

(c) The basis for determining the amount of payment shall be the lower of the actual acquisition costs of the drugs plus a fixed dispensing fee established by the commissioner, the maximum allowable cost set by the federal government or by the commissioner plus the fixed dispensing fee or the usual and customary price charged to the public. Actual acquisition cost includes quantity and other special discounts except time and cash discounts. The actual acquisition cost of a drug shall *may* be estimated by the commissioner, ~~at average wholesale price minus 7.6 percent effective January 1, 1994.~~ The maximum allowable cost of a multisource drug may be set by the commissioner and it shall be comparable to, but no higher than, the maximum amount paid by other third party payors in this state who have maximum allowable cost programs. Establishment of the amount of payment for drugs shall not be subject to the requirements of the administrative procedure act. An additional dispensing fee of \$.30 may be added to the dispensing fee paid to pharmacists for legend drug prescriptions dispensed to residents of long-term care facilities when a unit dose blister card system, approved by the department, is used. Under this type of dispensing system, the pharmacist must dispense a 30-day supply of drug. The National Drug Code (NDC) from the drug container used to fill the blister card must be identified on the claim to the department. The unit dose blister card containing the drug must meet the packaging standards set forth in Minnesota Rules, part 6800.2700, that govern the return of unused drugs to the pharmacy for reuse. The pharmacy provider will be required to credit the department for the actual acquisition cost of all unused drugs that are eligible for reuse. Over-the-counter medications must be dispensed in the manufacturer's unopened package. The commissioner may permit the drug clozapine to be dispensed in a quantity that is less than a 30-day supply. Whenever a generically equivalent product is available, payment shall be on the basis of the actual acquisition cost of the generic drug, unless the prescriber specifically indicates "dispense as written - brand necessary" on the prescription as required by section 151.21, subdivision 2. Implementation of any change in the fixed dispensing fee that has not been subject to the administrative procedure act is limited to not more than 180 days, unless, during that time, the commissioner initiates rulemaking through the administrative procedure act.

(d) Until the date the on-line, real-time Medicaid Management Information System (MMIS) upgrade is successfully implemented, as determined by the commissioner of administration, a pharmacy provider may require individuals who seek to become eligible for medical assistance under a one-month spend-down, as provided in section 256B.056, subdivision 5, to pay for services to the extent of the spend-down amount at the time the services are provided. A pharmacy provider choosing this option shall file a medical assistance claim for the pharmacy services provided. If medical assistance reimbursement is received for this claim, the pharmacy provider shall return to the individual the total amount paid by the individual for the pharmacy services reimbursed by the medical assistance program. If the claim is not eligible for medical assistance reimbursement because of the provider's failure to comply with the provisions of the medical assistance program, the pharmacy provider shall refund to the individual the total amount paid by the individual. Pharmacy providers may choose this option only if they apply similar credit restrictions to private pay or privately insured individuals. A pharmacy provider choosing this option must inform individuals who seek to become eligible for medical assistance under a one-month spend-down of (1) their right to appeal the denial of services on the grounds that they have satisfied the spend-down requirement, and (2) their potential eligibility for the health right program or the children's health plan."

Page 159, line 29, delete everything after "Act"

Page 159, line 30, delete everything before the period

Page 160, lines 6 and 11, delete "8" and insert "10"

Page 160, line 17, delete "CORRECTION;"

Page 160, line 18, delete "16 corrects and" and insert "18"

Page 160, line 34, delete "16" and insert "18"

Renumber the sections of article 11 in sequence

Page 161, after line 8, insert:

## "ARTICLE 12 APPROPRIATIONS

### Section 1. [APPROPRIATIONS; SUMMARY.]

Except as otherwise provided in this act, the sums set forth in the columns designated "fiscal year 1994" and "fiscal year 1995" are appropriated from the general fund, or other named fund, to the agencies for the purposes specified in this act and are added to the appropriations for the fiscal years ending June 30, 1994, and June 30, 1995, in Laws 1993, chapter 345, or another named law.

### SUMMARY BY FUND

APPROPRIATIONS	1994	1995
HCAF Fund	\$ .....	\$ .....
State Government Special Revenue	.....	.....

### Subdivision 1. DEPARTMENT OF HUMAN SERVICES

#### (a) Forecast Adjustment – Health Care Access Fund

(6,995,000)	(25,829,000)
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These reductions are to the appropriations in Laws 1993, chapter 345, article 14, section 2, based on the MinnesotaCare forecast.

#### (b) Rate Reduction – Health Care Access Fund

-0-	(145,000)
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This reduction is to the appropriation in Laws 1993, chapter 345, article 14, section 2, due to the imposition of a five percent rate reduction for hospitals not providing preadmission certification of MinnesotaCare enrollees receiving inpatient services.

#### (c) Delayed Enrollment of Single Adults Health Care Access Fund

.....	.....
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### Subd. 2. DEPARTMENT OF EMPLOYEE RELATIONS

#### Health Care Access Fund

(1,854,000)	(6,125,000)
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This reduction is to the appropriation in Laws 1993, chapter 345, article 14, section 9, due to a negotiation of a third-party carrier contract for Minnesota employers insurance program.

### Subd. 3. DEPARTMENT OF HEALTH

#### Health Care Access Fund

-0-	1,282,000
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#### State Government Special Revenue

-0-	1,525,000
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Of this appropriation, \$100,000 is for the purpose of making a grant to the school of medicine at the Duluth campus of the University of Minnesota for planning to meet the increasing need for rural family physicians.

### Sec. 2. REVENUES

1994

1995

#### Health Care Access Fund

(100,000)	(3,700,000)
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#### State Government Special Revenue

-0-	167,000
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### Sec. 3. TRANSFERS

The commissioner of finance shall transfer \$..... in fiscal year 1994 and \$..... in fiscal year 1995 from the health care access fund to the general fund.

Money appropriated before fiscal year 1995 to the commissioner of health for the administrative functions in connection with the data institute may be used by the data institute for the administration of the patient satisfaction survey to the extent that there are matching financial contributions from the private sector."

Amend the title as follows:

Page 1, line 32, after "5;" insert "144.335, by adding a subdivision;" and after "2;" insert "256.9355, by adding a subdivision;"

Page 1, line 33, delete "and"

Page 1, line 34, after the semicolon, insert "and 318.02, by adding subdivisions;"

Page 2, line 3, after "3;" insert "256.9353, subdivisions 3 and 7;"

Page 2, line 4, delete "subdivision 5" and insert "subdivisions 1, 4, 5, and 6"

Page 2, line 5, after "3;" insert "256.9362, subdivision 6; 256.9363, subdivisions 6, 7, and 9; 256B.0625, subdivision 13;"

Page 2, line 10, delete "and 144" and insert "62Q; 144; and 317A"

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

## MOTIONS AND RESOLUTIONS - CONTINUED

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate proceeded to the Order of Business of Introduction and First Reading of Senate Bills.

## INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Ms. Runbeck introduced—

S.F. No. 2904: A bill for an act relating to workers' compensation law and insurance; permitting the commissioner of the department of labor and industry to certify a certain plan of workers' compensation law; alternatively abolishing the department and providing a new general system of law and insurance provisions for the compensation of employment related injuries; transferring the jurisdiction and personnel of the workers' compensation court of appeals; providing rights, duties, and remedies; providing for administration and procedure; permitting adoption of administrative rules; proposing penalties; amending Minnesota Statutes 1992, sections 15.01; 79.34, subdi-

vision 1; 79.35; 175.007, subdivision 2; 175.17; 176A.01, by adding subdivisions; 176A.02, subdivision 1, and by adding subdivisions; 176A.07, subdivision 1; 176A.10; 180.11; and 219.52; amending Minnesota Statutes 1993 Supplement, section 15A.081, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 79; and 176A; proposing coding for new law as Minnesota Statutes, chapters 176C; and 176D; repealing Minnesota Statutes 1992, sections 79.01; 79.074; 79.081; 79.085; 79.095; 79.096; 79.10; 79.253; 79.34, as amended; 79.35; 79.36; 79.37; 79.38; 79.39; 79.40; 79.50; 79.52; 79.53; 79.531; 79.54; 79.55; 79.56; 79.57; 79.58; 79.59; 79.60; 79.61; 79.62; 175.001; 175.002; 175.003; 175.004; 175.005; 175.006; 175.10; 175.14; 175.16; 175.171; 175.20; 175.24; 175.27; 176.001; 176.011, subdivisions 1, 2, 3, 4, 5, 6, 7, 7a, 8, 9a, 11a, 12, 14, 15, 16, 17, 18, 20, 21, 22, 23, 24, 25, 26, and 27; 176.021; 176.031; 176.041, subdivisions 1, 2, 3, 4, 5a, and 6; 176.051; 176.061; 176.071; 176.081; 176.095; 176.101; 176.1011; 176.102; 176.1021; 176.103; 176.104; 176.1041; 176.105; 176.106; 176.111, subdivisions 1, 2, 3, 4, 6, 7, 8, 9a, 10, 12, 14, 15, 16, 17, 18, 20, and 21; 176.121; 176.129; 176.130; 176.1311; 176.132; 176.1321; 176.133; 176.135; 176.1351; 176.136, subdivisions 1, 1a, 1c, 2, and 3; 176.1361; 176.137; 176.139; 176.141; 176.145; 176.151; 176.155; 176.161; 176.165; 176.171; 176.175; 176.178; 176.179; 176.181; 176.182; 176.183; 176.184; 176.185; 176.186; 176.191; 176.192; 176.194; 176.195; 176.201; 176.205; 176.211; 176.215; 176.221; 176.222; 176.225; 176.231; 176.232; 176.234; 176.235; 176.238; 176.239; 176.245; 176.251; 176.253; 176.261; 176.2615; 176.271; 176.275; 176.281; 176.291; 176.295; 176.301; 176.305; 176.306; 176.307; 176.311; 176.312; 176.321; 176.322; 176.325; 176.331; 176.341; 176.351; 176.361; 176.371; 176.381; 176.391; 176.401; 176.411; 176.421; 176.442; 176.451; 176.461; 176.471; 176.481; 176.491; 176.511; 176.521, subdivisions 2a and 3; 176.522; 176.531; 176.540; 176.541; 176.551; 176.561; 176.571; 176.572; 176.581; 176.591; 176.603; 176.611; 176.641; 176.645; 176.651; 176.66; 176.669; 176.82; 176.83; 176.84; 176.85; 176.86; 176A.01; 176A.02, subdivisions 1, 2, 3, 4, 5, and 6; 176A.03; 176A.04; 176A.05; 176A.06; 176A.07; 176A.08; 176A.09; 176A.10; and 176A.12; Minnesota Statutes 1993 Supplement, sections 79.211; 79.251; 79.252; 79.255; 79.361; 79.362; 79.363; 79.371; 79.51; 176.011, subdivision 10; 176.041, subdivision 1a; 176.091; 176.092; 176.111, subdivision 5; 176.136, subdivision 1b; 176.521, subdivisions 1 and 2; 176.5401; 176A.02, subdivision 2a; and 176A.11, subdivisions 1, 2, and 3.

Referred to the Committee on Jobs, Energy and Community Development.

Ms. Runbeck introduced—

S.F. No. 2905: A bill for an act relating to workers' compensation; implementing recommendations submitted by the National Commission on State Workmen's Compensation Laws; modifying provisions relating to eligibility for and entitlement to benefits; amending Minnesota Statutes 1992, sections 176.011, subdivision 18; 176.021, subdivision 3; 176.041, subdivisions 1, 2, and 3; 176.051; 176.101, subdivisions 1, 3d, 3e, 3f, 3j, 3k, 3l, 4, and 6; 176.111, subdivisions 6, 7, 9a, 12, 14, and 15; and 176.135, subdivision 1; repealing Minnesota Statutes 1992, sections 176.011, subdivisions 23 and 26; 176.021, subdivisions 3a and 3b; 176.101, subdivisions 2, 3a, 3b, 3c, 3g, 3h, 3i, 3m, 3n, 3o, 3p, 3q, 3r, 3s, 3t, and 4a; 176.1011; 176.102; 176.104; 176.111, subdivisions 4, 8, 8a, 17, and 18; 176.132; 176.133; and 176.137.

Referred to the Committee on Jobs, Energy and Community Development.

Messrs. Janezich and Johnson, D.J. introduced—

S.F. No. 2906: A bill for an act relating to taxation; sales and use; changing the effective date for certain sales and use tax changes relating to taconite production equipment; amending Laws 1993, chapter 375, article 9, section 51.

Referred to the Committee on Taxes and Tax Laws.

Mr. Morse introduced—

S.F. No. 2907: A bill for an act relating to public administration; authorizing spending to acquire and to better public land and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of bonds; authorizing assessments for debt service; reducing certain earlier project authorizations and appropriations; appropriating money, with certain conditions; amending Minnesota Statutes 1992, sections 103G.005, by adding a subdivision; 103G.511; 103G.521, subdivision 1; and 103G.535; Minnesota Statutes 1993 Supplement, section 85.019, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 16A; 84; and 216C.

Referred to the Committee on Finance.

Messrs. Samuelson, Sams, Ms. Piper, Berglin and Mr. Day introduced—

S.F. No. 2908: A bill for an act relating to human services; modifying certain health and human service provisions; authorizing new programs; providing penalties; appropriating money; amending Minnesota Statutes 1992, sections 62A.046; 62A.048; 62A.27; 62D.102; 144.804, subdivision 1; 245.97, subdivision 1; 246.18, by adding a subdivision; 252.025, by adding a subdivision; 256.74, by adding a subdivision; 256.9365, subdivisions 1 and 3; 256B.056, by adding a subdivision; 256B.0625, subdivision 25, and by adding a subdivision; 256B.0641, subdivision 1; 256B.431, subdivision 17; 256H.05, subdivision 6; 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; 144A.071, subdivisions 3 and 4a; 245.97, subdivision 6; 246.18, subdivision 4; 252.46, subdivision 6, and by adding a subdivision; 256.969, subdivision 24; 256B.431, subdivision 24; 256L.04, subdivision 3; 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; proposing coding for new law in Minnesota Statutes, chapters 62A and 148; repealing Minnesota Statutes 1992, sections 62C.141; 62C.143; 62D.106; and 62E.04, subdivisions 9 and 10.

Referred to the Committee on Finance.

Messrs. Kroening, Novak, Ms. Anderson, Mr. Frederickson and Ms. Johnson, J.B. introduced—

S.F. No. 2909: A bill for an act relating to public administration; appropriating money for community development and certain agencies of state government, and supplementing, reducing, and transferring earlier appropriations, with certain conditions; regulating certain activities and practices; providing for accounts, fees, and reports; amending Minnesota Statutes 1992, sections 60K.06; 60K.19, subdivision 8; 82.20, subdivisions 7



and 8; 82.21, by adding a subdivision; 82B.08, subdivisions 4 and 5; 82B.09, subdivision 1; 82B.19, subdivision 1; 83.25; 176.102, subdivisions 3a and 14; 462A.05, by adding a subdivision; 504.33, subdivision 4; 504.35; Minnesota Statutes 1993 Supplement, sections 15.50, subdivision 2; 82.21, subdivision 1; 82.22, subdivisions 6 and 13; 82.34, subdivision 3; 116J.966, subdivision 1; 138.763, subdivision 1; 239.785, subdivision 2, and by adding a subdivision; 268.98, subdivision 1; and 504.33, subdivision 7; Laws 1993, chapter 369, section 5, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 268; repealing Minnesota Statutes 1992, sections 268.32; 268.551; and 268.552; Minnesota Rules, parts 3300.0100; 3300.0200; 3300.0300; 3300.0400; 3300.0500; 3300.0600; and 3300.0700.

Referred to the Committee on Finance.

Mr. Kelly, Mses. Johnston and Ranum introduced—

S.F. No. 2910: A bill for an act relating to claims against the state; providing for payment of various claims; appropriating money.

Referred to the Committee on Finance.

### MEMBERS EXCUSED

Mr. Beckman was excused from the Session of today. Mr. Johnson, D.J. was excused from the Session of today from 8:40 to 8:45 a.m. Mr. Hottinger was excused from the Session of today at 10:00 a.m. Mr. Pogemiller was excused from the Session of today from 8:00 to 9:00 a.m. Mr. Riveness was excused from the Session of today from 8:00 to 9:20 a.m. Ms. Reichgott Junge was excused from the Session of today at 10:10 a.m. Messrs. Chmielewski, Vickerman, Sams and Terwilliger were excused from the Session of today at 10:20 a.m. Ms. Kiscaden was excused from the Session of today from 10:15 to 10:25 a.m. Messrs. Novak and Metzen were excused from the Session of today at 10:30 a.m. Mr. Bertram and Ms. Berglin were excused from the Session of today at 10:45 a.m. Mr. Chandler was excused from the Session of today at 10:50 a.m. Mr. Langseth was excused from the Session of today at 11:10 a.m.

### ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 10:00 a.m., Monday, April 11, 1994. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate