

TWENTY-FIRST DAY

St. Paul, Minnesota, Thursday, March 2, 1995

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

CALL OF THE SENATE

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

Prayer was offered by the Chaplain, Rev. Marilyn Saure Breckenridge.

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

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

The President declared a quorum present.

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

EXECUTIVE AND OFFICIAL COMMUNICATIONS

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

January 11, 1995

The Honorable Allan H. Spear
President of the Senate

Dear Sir:

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

STATE UNIVERSITY BOARD

Daniel C. Parker, Sr., 507 W. Oak St., Stillwater, Washington County, effective January 15, 1995, for a term expiring on the first Monday in January, 1999.

William Ulland, 1831 S. Lake Ave., Duluth, St. Louis County, effective January 15, 1995, for a term expiring on the first Monday in January, 1999.

(Referred to the Committee on Education.)

January 18, 1995

The Honorable Allan H. Spear
President of the Senate

Dear Sir:

The following appointment is hereby respectfully submitted to the Senate for confirmation as required by law:

COMMISSIONER, DEPARTMENT OF TRADE AND ECONOMIC DEVELOPMENT

E. Peter Gillette, Jr., 192 Bank St. S.E., Minneapolis, Hennepin County, effective January 17, 1995, for a term expiring on the first Monday in January, 1999.

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

January 18, 1995

The Honorable Allan H. Spear
President of the Senate

Dear Sir:

The following appointment is hereby respectfully submitted to the Senate for confirmation as required by law:

COMMISSIONER, IRON RANGE RESOURCES AND REHABILITATION

James Gustafson, 1936 Woodhaven Ln., Duluth, St. Louis County, effective January 17, 1995, for a term expiring on the first Monday in January, 1999.

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

February 1, 1995

The Honorable Allan H. Spear
President of the Senate

Dear Sir:

The following appointment is hereby respectfully submitted to the Senate for confirmation as required by law:

COMMISSIONER, DEPARTMENT OF EDUCATION

Linda Powell, 15705 - 17th Pl. N., Plymouth, Hennepin County, effective February 1, 1995, for a term expiring on the first Monday in January, 1999.

(Referred to the Committee on Education.)

February 1, 1995

The Honorable Allan H. Spear
President of the Senate

Dear Sir:

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

MINNESOTA VETERANS HOMES BOARD OF DIRECTORS

Wayne M. Sletten, 626 - 13th Ave., Two Harbors, Lake County, effective February 6, 1995, for a term expiring on the first Monday in January, 1999.

James H. Main, 1575 Crest Dr., Chaska, Carver County, effective February 6, 1995, for a term expiring on the first Monday in January, 1999.

(Referred to the Committee on Governmental Operations and Veterans.)

February 22, 1995

The Honorable Allan H. Spear
President of the Senate

Dear Sir:

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

BOARD OF INVENTION

John Hawk, 840 - 10th St., Granite Falls, Yellow Medicine County, effective February 27, 1995, for a term expiring on the first Monday in January, 1999.

William Baker, 508 Edgewood Ave., Stillwater, Washington County, effective February 27, 1995, for a term expiring on the first Monday in January, 1999.

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

Warmest regards,
Arne H. Carlson, Governor

February 24, 1995

The Honorable Allan H. Spear
President of the Senate

Dear President Spear:

It is my honor to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State, S.F. No. 75.

Warmest regards,
Arne H. Carlson, Governor

February 27, 1995

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 Act of the 1995 Session of the State Legislature has been received from the Office of the Governor and is 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 1995	Date Filed 1995
75		5	1:55 p.m. February 24	February 24

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 House File, herewith transmitted: H.F. No. 554.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 27, 1995

FIRST READING OF HOUSE BILLS

The following bill was read the first time and referred to the committee indicated.

H.F. No. 554: A bill for an act relating to securities; regulating enforcement actions against licensees; modifying the definition of investment metal; amending Minnesota Statutes 1994, sections 80A.07, subdivision 5; and 80A.14, subdivision 10.

Referred to the Committee on Commerce and Consumer Protection.

REPORTS OF COMMITTEES

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

Mr. Metzen from the Committee on Governmental Operations and Veterans, to which was re-referred

S.F. No. 477: A bill for an act relating to education; consolidating and restructuring certain higher education statutes to reflect the merger of the community colleges, state universities, and technical colleges; amending Minnesota Statutes 1994, sections 136E.01, subdivision 1; 136E.02, subdivisions 1 and 3; 136E.021, subdivision 2; 136E.03; 136E.04, subdivisions 1, 3, and 7; 136E.05; 136E.31; 136E.395; 136E.525, subdivisions 1 and 2; and 136E.692, subdivisions 1, 3, and 4; proposing coding for new law as Minnesota Statutes, chapter 136F; repealing Minnesota Statutes 1994, sections 136.01; 136.015; 136.016; 136.017; 136.02; 136.03; 136.031; 136.034; 136.035; 136.036; 136.045; 136.06; 136.063; 136.065; 136.07; 136.08; 136.09; 136.10; 136.11; 136.111; 136.12; 136.13; 136.14; 136.141; 136.142; 136.143; 136.144; 136.145; 136.146; 136.147; 136.148; 136.15; 136.16; 136.17; 136.171; 136.172; 136.18; 136.19; 136.20; 136.21; 136.22; 136.232; 136.24; 136.25; 136.26; 136.261; 136.27; 136.31; 136.311; 136.32; 136.33; 136.34; 136.35; 136.36; 136.37; 136.38; 136.40; 136.41; 136.42; 136.43; 136.44; 136.45; 136.46; 136.47; 136.48; 136.49; 136.50; 136.501; 136.502; 136.503; 136.504; 136.505; 136.506; 136.507; 136.508; 136.55; 136.56; 136.57; 136.58; 136.60; 136.601; 136.6011; 136.602; 136.603; 136.61; 136.62; 136.621; 136.622; 136.63; 136.64; 136.65; 136.651; 136.653; 136.66; 136.67; 136.70; 136.71; 136.72; 136.80; 136.81; 136.82; 136.821; 136.83; 136.84; 136.85; 136.86; 136.87; 136.88; 136.90; 136C.01; 136C.02; 136C.03; 136C.04; 136C.041; 136C.042; 136C.043; 136C.044; 136C.05; 136C.06; 136C.07; 136C.075; 136C.08; 136C.13; 136C.15; 136C.17; 136C.21; 136C.211; 136C.212; 136C.213; 136C.22; 136C.221; 136C.222; 136C.223; 136C.25; 136C.26; 136C.27; 136C.28; 136C.29; 136C.31; 136C.32; 136C.33; 136C.34; 136C.35; 136C.36; 136C.37; 136C.38; 136C.41; 136C.411; 136C.42; 136C.43; 136C.44; 136C.50; 136C.51; 136C.60; 136C.61; 136C.62; 136C.63; 136C.64; 136C.65; 136C.66; 136C.67; 136C.68; 136C.69; 136C.70; 136C.71; 136C.75; and 136E.04, subdivisions 2, 4, 5, and 6; Laws 1994, chapter 532, article 6, section 12, paragraph (a).

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

Page 2, after line 1, insert:

"Section 1. Minnesota Statutes 1994, section 15.38, subdivision 3, is amended to read:

Subd. 3. [MINNESOTA STATE COLLEGES AND UNIVERSITIES.] The ~~state university~~ board of trustees of the Minnesota state colleges and universities may purchase insurance coverage as it deems necessary and appropriate to protect buildings and contents and for activities ancillary to the programs of the state colleges and universities."

Pages 5 and 6, delete section 12 and insert:

"Sec. 13. [136F.12] [FOND DU LAC CAMPUS.]

The Fond du Lac campus has a unique mission among two-year colleges to serve the lower division general education needs in Carlton and south St. Louis counties, and the education needs of American Indians throughout the state and especially in northern Minnesota. Accordingly, while the college is governed by the board of trustees, its governance is accomplished in conjunction with the board of directors of Fond du Lac tribal college. The board of trustees and the board of directors of Fond du Lac tribal college shall determine the mechanisms necessary to accomplish the sharing of authority while ensuring accountability for college actions and shall present a memorandum of understanding to the 1996 legislature for its approval. The memorandum of understanding dated December 13, 1994, is not approved."

Page 7, line 13, after the period, insert "The fee may be used to contract for health, medical, and hospitalization insurance for students."

Page 8, line 25, delete "sections" and insert "section" and delete "51,"

Page 10, after line 11, insert:

"Subd. 2. [ASSOCIATE DEGREE PLAN.] The board shall develop a plan for awarding associate degrees which reflects the mission of each campus it governs."

Page 10, line 12, delete "2" and insert "3"

Page 10, line 19, delete the colon

Page 10, line 20, delete everything before "award"

Page 10, line 21, delete "; and"

Page 10, delete lines 22 to 25

Page 10, line 26, delete "curriculum"

Page 11, after line 1, insert:

"Sec. 28. [136F.35] [MODEL SCHOOLS.]

The board may establish model schools in a state university for illustrating methods of teaching."

Page 14, line 20, after "system" insert ", the technical college system,"

Page 14, lines 22 and 26, after "university" insert ", technical college,"

Page 14, line 29, after "association" insert "or from the first class cities teachers retirement funds"

Page 18, line 7, strike "and" and insert "as"

Pages 19 and 20, delete section 34

Page 23, line 34, delete "either or"

Page 23, lines 35 and 36, delete "Lincoln's Birthday, Washington's Birthday" and insert "Presidents' Day"

Page 23, after line 36, insert:

"Sec. 44. [136F.591] [BOOKSTORES.]

The board may permit a state college or university to conduct a bookstore in a state college or university building, or may allocate space in a state college or university building and permit a

person or corporation to conduct a bookstore therein without rent at the board's pleasure and on such conditions as the board may impose. The board may provide insurance, at no cost to the state, for the inventory of a bookstore a state college or university conducts in its building."

Page 24, delete lines 4 to 17

Page 24, line 18, delete "Subd. 2." and insert "Subdivision 1." and after "PROPERTY" insert "; STATE UNIVERSITIES"

Page 24, line 34, delete "3" and insert "2"

Page 28, line 6, delete everything after "be"

Page 28, line 7, delete everything before "administered"

Page 30, after line 32, insert:

"Sec. 61. [TRANSFER OF RETIREMENT FUND MEMBERSHIP FOR TECHNICAL COLLEGE EMPLOYEES; ELECTION TO RETAIN RETIREMENT FUND MEMBERSHIP.]

A person who is employed by a technical college or by the technical college system on June 30, 1995, and who is transferred to state employment shall remain a member of the public employees retirement association or the Minneapolis employees retirement fund, whichever applies, unless the person affirmatively elects, in writing, retirement coverage by the general state employees retirement plan of the Minnesota state retirement system. The following provisions govern the election of a transfer or the retention of retirement benefit coverage:

(1) For a person who desires to transfer benefit coverage, the affirmative written election must be made within 120 days of the transfer of the employee to state employment.

(2) On behalf of transferred employees who retain retirement benefit coverage with the pretransfer retirement plan, the board shall make the applicable employer contributions to the public employees retirement association under Minnesota Statutes, section 353.27, subdivisions 3 and 3a, or the same percentage of covered payroll employer contribution to the Minneapolis employees retirement fund that special school district No. 1 is required to make for that school year under Minnesota Statutes, section 422A.101, subdivision 2.

(3) An employee who makes a retirement benefit coverage transfer election under this section may revoke that election at any time within the first six months after the person becomes a state employee. Once an employee revokes the retirement benefit coverage transfer election, the employee may not make another election. If the initial retirement benefit coverage transfer election is revoked, all retirement contributions made by or on behalf of the employee revoking a prior election must be transferred to the applicable retirement plan as though they were erroneous deductions or contributions, plus monthly interest at an annual rate of 8.5 percent, compounded monthly, and the balance remaining between any contribution amount transferred and the amount of contributions that otherwise would have been due are payable in the applicable proportions by the revoking employee and the board, plus monthly interest at an annual rate of 8.5 percent, compounded monthly.

(4) The executive directors of the Minnesota state retirement system, the public employees retirement association, and the Minneapolis employees retirement fund, and the chancellor of the higher education system, shall confer and jointly adopt appropriate procedures for making the retirement benefit coverage transfer elections under this section.

(5) The executive directors of the public employees retirement association, the Minnesota state retirement system, and the Minneapolis employees retirement fund, whichever applies, shall, upon request, provide appropriate benefit counseling to applicable affected employees on the effect of electing retirement benefit coverage by the general state employees retirement plan of the Minnesota state retirement system."

Page 31, line 28, delete "60" and insert "63"

Pages 31 and 32, delete section 60 and insert:

"Sec. 63. [REPEALER.]

Minnesota Statutes 1994, sections 15.38, subdivision 4; 136.01; 136.015; 136.017; 136.02; 136.03; 136.031; 136.036; 136.045; 136.065; 136.07; 136.09; 136.10; 136.11; 136.111; 136.12; 136.13; 136.14; 136.141; 136.142; 136.143; 136.144; 136.145; 136.146; 136.147; 136.17; 136.171; 136.172; 136.18; 136.19; 136.20; 136.21; 136.22; 136.232; 136.24; 136.25; 136.261; 136.27; 136.31; 136.311; 136.32; 136.33; 136.34; 136.35; 136.36; 136.37; 136.38; 136.40; 136.41; 136.42; 136.43; 136.44; 136.45; 136.46; 136.47; 136.48; 136.49; 136.50; 136.501; 136.502; 136.503; 136.504; 136.505; 136.506; 136.507; 136.55; 136.56; 136.57; 136.58; 136.60; 136.6011; 136.602; 136.603; 136.61; 136.62; 136.621; 136.622; 136.63; 136.65; 136.651; 136.653; 136.67; 136.70; 136.71; 136.72; 136.88; 136.90; 136C.01; 136C.02; 136C.03; 136C.04; 136C.041; 136C.042; 136C.043; 136C.044; 136C.05; 136C.06; 136C.07; 136C.075; 136C.08; 136C.13; 136C.15; 136C.17; 136C.31; 136C.34; 136C.41; 136C.411; 136C.43; 136C.44; 136C.50; 136C.51; 136C.60; 136C.61; 136C.62; 136C.63; 136C.64; 136C.65; 136C.66; 136C.67; 136C.68; 136C.69; 136C.70; 136C.71; 136C.75; 136E.04, subdivisions 2, 4, 5, and 6; and Laws 1994, chapter 532, article 6, section 12, paragraph (a), are repealed."

Page 32, line 22, delete "60" and insert "63"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after "sections" insert "15.38, subdivision 3;"

Page 1, line 12, after "sections" insert "15.38, subdivision 4;"

Page 1, line 13, delete "136.016;"

Page 1, line 14, delete "136.034; 136.035;" and delete "136.06; 136.063;"

Page 1, line 15, delete "136.08;"

Page 1, line 17, delete "136.148;"

Page 1, line 18, delete "136.15; 136.16;"

Page 1, line 20, delete "136.26;"

Page 1, line 25, delete "136.508;"

Page 1, line 26, delete "136.601;"

Page 1, line 27, delete "136.64;"

Page 1, line 28, delete "136.66;"

Page 1, delete lines 29 and 30 and insert "136.72; 136.88; 136.90;"

Page 1, delete lines 34 to 37 and insert "136C.31; 136C.34; 136C.41;"

Page 1, line 38, delete "136C.42;"

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

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

S.F. No. 404: A bill for an act relating to tax increment financing; increasing the maximum increment for ethanol projects exempt from the state aid reductions; amending Minnesota Statutes 1994, section 273.1399, subdivision 6.

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

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

S.F. No. 257: A bill for an act relating to soil and water conservation district boards; providing that the office of soil and water conservation district supervisor is compatible with certain city and town offices; amending Minnesota Statutes 1994, sections 103C.315, by adding a subdivision; and 204B.06, subdivision 1.

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

Mr. Metzen from the Committee on Governmental Operations and Veterans, to which was re-referred

S.F. No. 557: A bill for an act relating to employment; ratifying certain labor agreements.

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

Page 1, after line 4, insert:

"Section 1. Minnesota Statutes 1994, section 3.855, subdivision 3, is amended to read:

Subd. 3. [OTHER SALARIES AND COMPENSATION PLANS.] The commission shall also:

(a) (1) review and approve, reject, or modify a plan for compensation, and terms and conditions of employment prepared and submitted by the commissioner of employee relations under section 43A.18, subdivision 2, covering all state employees who are not represented by an exclusive bargaining representative and whose compensation is not provided for by chapter 43A or other law;

(b) (2) review and approve, reject, or modify a plan for total compensation and terms and conditions of employment for employees in positions identified as being managerial under section 43A.18, subdivision 3, whose salaries and benefits are not otherwise provided for in law or other plans established under chapter 43A;

(c) (3) review and approve, reject, or modify recommendations for salaries submitted by the governor under section 43A.18, subdivision 5, covering agency head positions listed in section 15A.081;

(d) (4) review and approve, reject, or modify recommendations for salaries of officials of higher education systems under section 15A.081, subdivision 7b; and

(e) (5) review and approve, reject, or modify plans for compensation, terms, and conditions of employment proposed under section 43A.18, subdivision subdivisions 3a and 4."

Page 2, line 19, delete "1" and insert "2"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "authorizing the legislative commission on employee relations to modify compensation for certain managerial positions in the higher education board;"

Page 1, line 3, before the period, insert "; amending Minnesota Statutes 1994, section 3.855, subdivision 3"

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

Mr. Metzen from the Committee on Governmental Operations and Veterans, to which was referred

S.F. No. 359: A bill for an act relating to public safety; providing for state reimbursement for bomb squads in certain cases; clarifying tort claim and workers' compensation provisions for member of bomb squad or hazardous materials response team; appropriating money; amending Minnesota Statutes 1994, sections 3.732, subdivision 1; 176.192; and 299A.51, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 299F.

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

Page 2, lines 7 and 34, delete "299F.70" and insert "299F.72"

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

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 759: A bill for an act relating to economic development; changing certain departmental operating procedures; altering the corporate structure of Advantage Minnesota, Inc.; clarifying economic development authority powers; amending Minnesota Statutes 1994, sections 116J.58, subdivision 1; 116J.693, subdivisions 2, 3, 4, and 5; 116N.02, subdivision 1; 116N.06; 446A.03, subdivision 4; and 469.102, subdivision 2.

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

Page 4, line 5, delete the new language

Page 4, line 8, reinstate the stricken language

Page 4, lines 9 to 15, reinstate the stricken language

Page 4, line 16, reinstate the stricken "resulting from the program,"

Page 4, line 17, reinstate the stricken "and the number of projects approved"

Page 6, line 35, delete "other" and insert "fourth" and delete ", to"

Page 6, line 36, delete everything before the period

Page 7, delete section 9

Amend the title as follows:

Page 1, line 8, after "116N.06;" insert "and"

Page 1, line 9, delete "; and 469.102, subdivision 2"

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

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

S.F. No. 218: A bill for an act relating to children; providing for care of children by noncustodial parents in certain cases; amending Minnesota Statutes 1994, section 518.551, subdivision 5.

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

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes 1994, section 518.175, is amended by adding a subdivision to read:

Subd. 8. [CARE OF CHILD BY NONCUSTODIAL PARENT.] The court may allow additional visitation to the noncustodial parent to provide child care while the custodial parent is

working if this arrangement is reasonable and in the best interests of the child, as defined in section 518.17, subdivision 1. In addition, the court shall consider:

- (1) the ability of the parents to cooperate;
- (2) methods for resolving disputes regarding the care of the child, and the parents' willingness to use those methods; and
- (3) whether domestic abuse, as defined in section 518B.01, has occurred between the parties."

Page 4, line 31, delete everything after "working"

Page 4, delete line 32 and insert ", as provided in section 518.175, subdivision 8."

Page 7, delete lines 10 and 11

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, delete "section" and insert "sections 518.175, by adding a subdivision; and"

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

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

S.F. No. 293: A bill for an act relating to debt; providing for prompt payment of subcontractors of municipal contractors; modifying certain provisions relating to liens and performance bonds; amending Minnesota Statutes 1994, sections 471.425, by adding a subdivision; 514.13; 574.28; 574.30; and 574.31, subdivisions 1 and 2.

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

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

S.F. No. 303: A bill for an act relating to real property; providing for the form and record of certain assignments; revising the common interest ownership act; changing the application of the curative and validating law for mortgage foreclosures; amending Minnesota Statutes 1994, sections 507.411; 515B.1-102; 515B.1-103; 515B.1-116; 515B.2-104; 515B.2-105; 515B.2-109; 515B.2-110; 515B.3-112; 515B.3-115; 582.25; and 582.27.

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

Page 11, line 16, after the period, insert "In those counties which have a tract index,"

Page 23, line 36, strike "in the usual form"

Page 24, line 9, strike everything after "office"

Page 24, line 10, strike everything before "provided"

Page 24, line 24, strike everything after "registered"

Page 24, line 25, strike everything before the semicolon

Page 26, line 16, strike "the date specified in section 582.27" and insert "one year after the last day of the redemption period of the mortgagor, the mortgagor's personal representatives or assigns"

Page 26, line 17, strike "every" and insert "a holder of a"

Page 26, line 18, strike the first "by" and insert "was"

Page 26, line 19, after "before" insert "the foreclosure"

Page 26, line 21, strike "has been" and insert "were"

Page 26, line 24, strike everything after "force"

Page 26, strike line 25

Page 26, line 26, strike everything before the semicolon

Page 27, lines 13 and 14, strike "the date specified in section 582.27" and insert "the last day of the redemption period of the mortgagor, the mortgagor's personal representatives or assigns"

Page 27, line 20, strike "the date specified in section 582.27" and insert "one year after the last day of the redemption period of the mortgagor, the mortgagor's personal representatives or assigns"

Page 29, line 12, strike the period and insert a semicolon

Page 29, after line 12, insert:

"(22) That the notice of pendency of the foreclosure as required by section 580.032 was not filed for record before the first date of publication of the foreclosure notice, but was filed before the date of sale."

Page 30, after line 13, insert:

"Sections 2 to 10 are effective June 1, 1995."

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

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

S.F. No. 174: A bill for an act relating to game and fish; continuing the authorization for residents under the age of 16 to take deer of either sex; amending Minnesota Statutes 1994, section 97B.301, subdivision 6.

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

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

S.F. No. 343: A bill for an act relating to game and fish; requiring financial security in connection with certain fishing contests; amending Minnesota Statutes 1994, section 97C.081, subdivision 3.

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

Page 1, line 9, before "The" insert "(a)"

Page 1, line 10, strike "rule or"

Page 1, lines 12 to 16, delete the new language

Page 1, line 17, delete "offered." and strike "Permits must be issued without a fee and" and insert "The commissioner may charge a fee not to exceed \$50."

Page 1, after line 19, insert:

"(b) The applicant shall furnish the commissioner evidence of financial responsibility consisting of a surety bond, insurance policy, cash, or cash equivalent deposit in an amount not less than the total wholesale amount of prizes to be offered in the contest, if the applicant:

(1) has not previously conducted a fishing contest requiring a permit under this subdivision; or

(2) has ever failed to make required prize awards in a fishing contest conducted by the applicant."

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

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

S.F. No. 548: A bill for an act relating to parks and recreation; additions to and deletions from state parks; establishing a new state park and deleting two state waysides; amending Minnesota Statutes 1994, section 84.054, by adding a subdivision; repealing Minnesota Statutes 1994, section 85.013, subdivisions 13 and 20.

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

Page 2, line 5, delete "shall remain open to public hunting" and insert "are not game refuges"

Page 2, line 32, delete "T.H.61" and insert "U.S. Route No. 61"

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

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was referred

S.F. No. 514: A bill for an act relating to taxation; making technical and administrative changes, corrections, and clarifications; amending Minnesota Statutes 1994, sections 151.48; 270.47; 270.48; 270.485; 270.494; 270.50; 270.52; 270.53; 270.69, subdivision 10; 270B.03, subdivision 1; 270B.12, subdivision 2; 270B.14, subdivision 11; 272.121, subdivision 2; 273.11, subdivision 16; 273.1398, by adding a subdivision; 273.1399, subdivision 3; 273.17, subdivision 2; 275.065, subdivision 6; 276.04, subdivision 2; 284.28, subdivision 2; 289A.18, subdivision 4; 289A.50, subdivision 1; 290.032, subdivisions 1 and 2; 290.0671, subdivision 2; 290A.04, subdivisions 2h and 6; 295.50, subdivisions 1, 4, 7, and 13; 295.53, subdivisions 1, 2, and 5; 295.54, subdivision 1; 295.55, by adding a subdivision; 295.57; 296.01, subdivision 34; 296.025, subdivision 1; 296.12, subdivisions 3 and 4; 297A.01, subdivision 3; 297E.02, subdivisions 1, 6, and 11; 297E.031, subdivision 1; 297E.13, subdivision 5; 298.75, subdivision 2; 325D.33, subdivision 4; 349.163, subdivision 5; 428A.01, subdivision 5; 428A.03, by adding a subdivision; 428A.05; 469.177, subdivision 9; 473.446, subdivision 1; 473.711, subdivision 2; and 473F.02, subdivision 8; Laws 1994, chapter 587, article 1, section 27; repealing Minnesota Statutes 1994, sections 60A.15, subdivision 7; 270.49; and 270.493; Laws 1988, chapter 698, section 5; and Laws 1989, First Special Session chapter 1, article 7, section 9.

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

Page 2, delete section 3

Page 5, line 32, before "Laws" insert "Minnesota Statutes 1994, section 290A.04, subdivision 2i; and"

Page 5, line 33, delete "is" and insert "are"

Page 5, line 35, delete ", 2, and 3" and insert "and 2"

Page 5, line 36, delete "6" and insert "5"

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

Page 6, line 2, delete "4 and 5" and insert "3 and 4"

Page 9, line 33, after "required" insert "under subdivision 1"

Page 14, line 18, strike "19"

Page 21, line 24, strike "the highways are" and insert "a public highway, road, or street is"

Page 21, line 26, after "imposed" insert "either" and after "sold," insert "or when it is"

Page 21, line 27, after "or" insert "when it is" and after the second "stockpile" insert ", whichever occurs first"

Page 26, line 1, after the period, insert paragraph coding

Page 29, line 3, strike "conscientiously" and insert "deliberately"

Pages 46 to 48, delete sections 2 and 3

Page 53, line 21, delete "9" and insert "7"

Renumber the sections in sequence

Amend the title as follows:

Page 1, delete line 7

Page 1, line 14, delete "290.0671, subdivision 2;"

Page 1, line 29, delete "and" and after "270.493;" insert "and 290A.04, subdivision 2i;"

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

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was referred

S.F. No. 513: A bill for an act relating to taxation; making tax policy, collection, and administrative changes; imposing penalties; amending Minnesota Statutes 1994, sections 60A.15, subdivision 12; 60A.199, subdivisions 8 and 10; 116.07, subdivision 10; 168.012, subdivision 9; 270.06; 270.72, subdivisions 1, 2, and 3; 270B.02, subdivision 3; 270B.14, subdivision 1; 273.121; 273.124, subdivisions 3, 6, and 13; 274.14; 279.03, subdivision 1a; 289A.18, subdivision 2; 289A.20, subdivision 2; 289A.25, by adding a subdivision; 289A.26, subdivision 2a; 289A.38, subdivision 7; 289A.40, subdivision 1; 289A.43; 289A.55, subdivision 7; 289A.60, subdivisions 2, 12, and by adding a subdivision; 290.01, subdivision 7b; 290.015, subdivision 1; 290.191, subdivisions 1, 5, and 6; 290.92, subdivisions 1, 23, and by adding a subdivision; 290.9201, subdivision 3; 290A.03, subdivisions 6 and 13; 290A.04, subdivision 3; 290A.07, subdivision 2a; 294.09, subdivisions 1 and 4; 296.12, subdivisions 3, 4, and 11; 296.141, subdivisions 1, 2, and 6; 296.17, subdivisions 1, 3, 5, and 11; 296.18, subdivisions 1, 2, and 5; 297.08, subdivisions 1 and 3; 297.35, subdivision 1; 297.43, subdivision 2; 297A.25, subdivision 11; 297C.02, subdivision 2; 297C.07; 297C.09; 297C.13, subdivision 1; 297C.14, subdivision 2; 297E.11, subdivision 4; 297E.12, subdivision 2; 299F.26, subdivisions 1 and 4; and 477A.015; proposing coding for new law in Minnesota Statutes, chapters 270; 270B; 296; and 340A; repealing Minnesota Statutes 1994, sections 270.70, subdivisions 8, 9, and 10; 297A.212; and 297A.38; Laws 1994, chapter 510, article 6, section 1.

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

Page 4, lines 20 and 28, strike "90" and insert "180"

Page 7, after line 10, insert:

"Sec. 8. Minnesota Statutes, 1994, section 290.067, subdivision 1, as amended by Laws 1995, chapter 1, section 4, is amended to read:

Subdivision 1. [AMOUNT OF CREDIT.] (a) A taxpayer may take as a credit against the tax due from the taxpayer and a spouse, if any, under this chapter an amount equal to the dependent care credit for which the taxpayer is eligible pursuant to the provisions of section 21 of the Internal Revenue Code subject to the limitations provided in subdivision 2 except that in determining whether the child qualified as a dependent, income received as an aid to families with dependent children grant or allowance to or on behalf of the child must not be taken into account in determining whether the child received more than half of the child's support from the taxpayer, and the provisions of section 32(b)(1)(D) of the Internal Revenue Code do not apply.

(b) If a child who is ~~six years of age or less~~ has not attained the age of six years at the close of the taxable year is cared for at a licensed family day care home operated by the child's parent, the taxpayer is deemed to have paid employment-related expenses. If the child is 16 months old or younger at the close of the taxable year, the amount of expenses deemed to have been paid equals the maximum limit for one qualified individual under section 21(c) and (d) of the Internal Revenue Code. If the child is older than 16 months of age but ~~not older than six years of age~~ has not attained the age of six years at the close of the taxable year, the amount of expenses deemed to have been paid equals the amount the licensee would charge for the care of a child of the same age for the same number of hours of care.

(c) If a married couple:

(1) has a child who has not attained the age of one year at the close of the taxable year;

(2) files a joint tax return for the taxable year; and

(3) does not participate in a dependent care assistance program as defined in section 129 of the Internal Revenue Code, in lieu of the actual employment related expenses paid for that child under paragraph (a) or the deemed amount under paragraph (b), the lesser of (i) the combined earned income of the couple or (ii) \$2,400 will be deemed to be the employment related expense paid for that child. The earned income limitation of section 21(d) of the Internal Revenue Code shall not apply to this deemed amount. These deemed amounts apply regardless of whether any employment-related expenses have been paid.

(d) If the taxpayer is not required and does not file a federal individual income tax return for the tax year, no credit is allowed for any amount paid to any person unless:

(1) the name, address, and taxpayer identification number of the person are included on the return claiming the credit; or

(2) if the person is an organization described in section 501(c)(3) of the Internal Revenue Code and exempt from tax under section 501(a) of the Internal Revenue Code, the name and address of the person are included on the return claiming the credit.

In the case of a failure to provide the information required under the preceding sentence, the preceding sentence does not apply if it is shown that the taxpayer exercised due diligence in attempting to provide the information required.

In the case of a nonresident, part-year resident, or a person who has earned income not subject to tax under this chapter, the credit determined under section 21 of the Internal Revenue Code must be allocated based on the ratio by which the earned income of the claimant and the claimant's spouse from Minnesota sources bears to the total earned income of the claimant and the claimant's spouse."

Page 15, delete section 12

Page 16, line 7, delete "10" and insert "11"

Page 16, line 8, delete "11" and insert "12"

Page 16, line 9, delete "Section 12 is effective for wages paid"

Page 16, line 10, delete "after December 31, 1990."

Pages 16 and 17, delete section 2 and insert:

"Sec. 2. Minnesota Statutes 1994, section 273.124, subdivision 1, is amended to read:

Subdivision 1. [GENERAL RULE.] (a) Residential real estate that is occupied and used for the purposes of a homestead by its owner, who must be a Minnesota resident, is a residential homestead.

Agricultural land, as defined in section 273.13, subdivision 23, that is occupied and used as a homestead by its owner, who must be a Minnesota resident, is an agricultural homestead.

Dates for establishment of a homestead and homestead treatment provided to particular types of property are as provided in this section.

Property of a trustee, beneficiary, or grantor of a trust is not disqualified from receiving homestead benefits if the homestead requirements under this chapter are satisfied.

The assessor shall require proof, as provided in subdivision 13, of the facts upon which classification as a homestead may be determined. Notwithstanding any other law, the assessor may at any time require a homestead application to be filed in order to verify that any property classified as a homestead continues to be eligible for homestead status. Notwithstanding any other law to the contrary, the department of revenue may, upon request from an assessor, verify whether an individual who is requesting or receiving homestead classification has filed a Minnesota income tax return as a resident for the most recent taxable year for which the information is available.

When there is a name change or a transfer of homestead property, the assessor may reclassify the property in the next assessment unless a homestead application is filed to verify that the property continues to qualify for homestead classification.

(b) For purposes of this section, homestead property shall include property which is used for purposes of the homestead but is separated from the homestead by a road, street, lot, waterway, or other similar intervening property. The term "used for purposes of the homestead" shall include but not be limited to uses for gardens, garages, or other outbuildings commonly associated with a homestead, but shall not include vacant land held primarily for future development. In order to receive homestead treatment for the noncontiguous property, the owner shall apply for it to the assessor by July 1 of the year when the treatment is initially sought. After initial qualification for the homestead treatment, additional applications for subsequent years are not required.

(c) Residential real estate that is occupied and used for purposes of a homestead by a relative of the owner is a homestead but only to the extent of the homestead treatment that would be provided if the related owner occupied the property. For purposes of this paragraph, "relative" means a parent, stepparent, child, stepchild, grandparent, grandchild, brother, sister, uncle, or aunt. This relationship may be by blood or marriage. Property that was classified as seasonal recreational residential property at the time when treatment under this paragraph would first apply shall continue to be classified as seasonal recreational residential property for the first four assessment years beginning after the date when the relative of the owner occupies the property as a homestead; this delay also applies to property that, in the absence of this paragraph, would have been classified as seasonal recreational residential property at the time when the residence was constructed. Neither the related occupant nor the owner of the property may claim a property tax refund under chapter 290A for a homestead occupied by a relative. In the case of a residence located on agricultural land, only the house, garage, and immediately surrounding one acre of land shall be classified as a homestead under this paragraph, except as provided in paragraph (d).

(d) Agricultural property that is occupied and used for purposes of a homestead by a relative of the owner, is a homestead, only to the extent of the homestead treatment that would be provided if the related owner occupied the property, and only if all of the following criteria are met:

(1) the relative who is occupying the agricultural property is a son, daughter, father, or mother of the owner of the agricultural property or a son or daughter of the spouse of the owner of the agricultural property,

(2) the owner of the agricultural property must be a Minnesota resident,

(3) the owner of the agricultural property must not receive homestead treatment on any other agricultural property in Minnesota, and

(4) the owner of the agricultural property is limited to only one agricultural homestead per family under this paragraph.

Neither the related occupant nor the owner of the property may claim a property tax refund under chapter 290A for a homestead occupied by a relative qualifying under this paragraph. For purposes of this paragraph, "agricultural property" means the house, garage, other farm buildings and structures, and agricultural land.

Application must be made to the assessor by the owner of the agricultural property to receive homestead benefits under this paragraph. The assessor may require the necessary proof that the requirements under this paragraph have been met.

(e) In the case of property owned by a property owner who is married, the assessor must not deny homestead treatment in whole or in part if only one of the spouses occupies the property and the other spouse is absent due to: (1) marriage dissolution proceedings, (2) legal separation, (3) employment or self-employment in another location as provided under subdivision 13, or (4) residence in a nursing home or boarding care facility."

Page 18, line 35, delete "total" and insert "local" and delete "capacity"

Page 19, line 18, delete everything after the period

Page 19, delete lines 19 to 21

Page 23, line 23, delete "total" and insert "local" and delete "capacity"

Page 24, line 6, delete everything after the period

Page 24, delete lines 7 to 9 and insert:

"Sec. 5. Minnesota Statutes 1994, section 273.124, subdivision 11, is amended to read:

Subd. 11. [LIMITATION ON HOMESTEAD CLASSIFICATION.] If the assessor has classified a property as both homestead and nonhomestead, the greater of the value attributable to the portion of the property classified as class 1 or class 2a or the value of the first tier of net class rates provided under section 273.13, subdivision 22, or 23, paragraph (a), is entitled to assessment as a homestead under section 273.13, subdivision 22 or 23. The limitation in this subdivision does not apply to buildings containing fewer than four residential units or to a single rented or leased dwelling unit located within or attached to a private garage or similar structure owned by the owner of a homestead and located on the premises of that homestead.

If the assessor has classified a property as both homestead and nonhomestead, ~~the homestead credit provided in section 273.13, subdivisions 22 and 23, and the reductions in tax provided under sections 273.135 and 273.1391 apply to the value of both the homestead and the nonhomestead portions of the property.~~

Page 26, line 18, strike the first comma and insert "or" and after "transferred" insert "if no certificate of real estate value is filed under section 272.115"

Page 28, line 31, reinstate the stricken "during"

Page 28, line 32, delete "on each of"

Page 29, delete section 7 and insert:

"Sec. 8. Minnesota Statutes 1994, section 275.07, subdivision 1, is amended to read:

Subdivision 1. The taxes voted by cities, counties, school districts, and special districts shall be certified by the proper authorities to the county auditor on or before five working days after December 20 in each year. A town must certify the levy adopted by the town board to the county auditor by September 15 each year. If the town board modifies the levy at a special town meeting after September 15, the town board must recertify its levy to the county auditor on or before five working days after December 20. The taxes certified shall not be reduced by the aid received under ~~sections section 273.1398, subdivisions 2 and subdivision 3.~~ If a city, town, county, school district, or special district fails to certify its levy by that date, its levy shall be the amount levied by it for the preceding year.

Sec. 9. Minnesota Statutes 1994, section 275.08, subdivision 1b, is amended to read:

Subd. 1b. The amounts certified under section 275.07 ~~after adjustment under section 275.07, subdivision 3,~~ by an individual local government unit, except for any amounts certified under sections 124A.03, subdivision 2a, and 275.61, shall be divided by the total net tax capacity of all

taxable properties within the local government unit's taxing jurisdiction. The resulting ratio, the local government's local tax rate, multiplied by each property's net tax capacity shall be each property's tax for that local government unit before reduction by any credits.

Any amount certified to the county auditor under section 124A.03, subdivision 2a, or 275.61, after the dates given in those sections, shall be divided by the total estimated market value of all taxable properties within the taxing district. The resulting ratio, the taxing district's new referendum tax rate, multiplied by each property's estimated market value shall be each property's new referendum tax before reduction by any credits."

Page 30, line 4, after the stricken "knowingly" insert "without reasonable cause"

Page 33, line 9, delete ", 2, and 6" and insert "and 7"

Page 33, line 10, delete "5" and insert "6"

Page 33, line 11, delete everything after the period

Page 33, line 12, delete everything before "Section" and delete "8" and insert "10"

Page 33, line 14, delete "Section 9 to 12" and insert "Sections 11 to 14"

Page 33, line 16, delete "13" and insert "15"

Pages 33 to 37, delete section 1

Pages 39 to 41, delete section 4

Page 43, lines 3 and 4, delete ", provided the bottles accompany a collector of commemorative bottles into this state"

Page 43, lines 6 and 7, delete "; and Laws 1994, chapter 510, article 6, section 1, are" and insert ", is"

Page 43, line 9, delete ", 2, 3, 5, 6, and 7" and insert "to 5"

Page 43, line 10, delete "Section 4 is effective July 1, 1995."

Pages 46 to 50, delete section 4

Page 54, after line 18, insert:

"Sec. 9. Minnesota Statutes 1994, section 270.79, subdivision 4, is amended to read:

Subd. 4. [REFUND PROCEDURES.] (a) If the commissioner determines that the cumulative refunds due all affected taxpayers will exceed \$50,000,000, the refund procedures in this subdivision apply.

(b) ~~The refunds due shall be paid in five installments beginning after July 1 of. The first installment will be paid during the calendar year following the later of the filing of the refund claim or the final judicial determination and ending in the fifth calendar year or at the time that the return for that calendar year is filed subsequent installments will be paid at any time during each of the four succeeding calendar years.~~

(c) ~~The refunds shall be paid in the form of refundable credits claimed on the tax return for the tax type giving rise to the refund.~~

(d) ~~In the case of annual returns the credit allowable must be claimed on the annual return. When returns are filed on other than an annual basis, the allowable credit must be claimed on the first return due after July 1 of a calendar year. The commissioner shall compute the annual refund installment due under this subdivision, and notify the taxpayer of the total amount of the claim for refund which has been allowed.~~

(e) (d) ~~The credit allowed for installment paid each year equals 20 percent of the claimed refund~~ allowed unless the commissioner determines that the cumulative refunds due for a

particular year under this section will exceed \$150,000,000. If the refunds payable will exceed that amount, ~~the claimed refunds they~~ will be reduced pro rata with any balance remaining due payable with the final refund installment.

(f) (e) Unless contrary to the provisions in this section, the provisions for refunds in the various tax types, including provisions related to the payment of interest, apply to the refunds subject to these provisions.

(g) (f) The commissioner may establish a de minimis individual refund amount below which the installment provisions do not apply. The amount established under this paragraph is not subject to the provisions of chapter 14.

(g) If the commissioner of finance determines that it is in the best interest of the state, refunds payable under this section may be paid in fewer than five installments."

Page 65, delete lines 6 and 7

Page 65, line 8, delete "5, 9" and insert "4, 8"

Page 65, line 10, delete "6 to 8" and insert "5 to 7"

Page 65, after line 10, insert:

"Section 9 is effective for payments of refunds resulting from final determinations made on or after April 26, 1994, including refunds resulting from appeals filed before that date but finally determined after that date."

Pages 65 to 69, delete article 5

Pages 69 to 71, delete sections 1 to 4

Page 81, line 36, delete "1 to 3, and 6 to 19" and insert "2 to 15"

Page 82, delete lines 2 and 3

Page 82, line 4, delete "5" and insert "1"

Renumber the articles and sections in sequence

Amend the title as follows:

Page 1, line 6, delete "116.07, subdivision 10;"

Page 1, line 7, delete "270.06;" and delete "270B.02," and insert "270.79, subdivision 4;"

Page 1, delete line 8

Page 1, line 9, after "subdivisions" insert "1," and after "6," insert "11," and delete "279.03," and insert "275.07, subdivision 1; 275.08, subdivision 1b;"

Page 1, line 10, delete "subdivision 1a;"

Page 1, line 16, after "1;" insert "290.067, subdivision 1, as amended;"

Page 1, lines 17 and 18, delete ", 23, and by adding a subdivision" and insert "and 23"

Page 1, line 25, delete "297A.25, subdivision 11;"

Page 1, line 26, delete "297C.09; 297C.13, subdivision"

Page 1, line 27, delete "1;"

Page 1, line 30, delete "; 270B;" and insert "and" and delete "and 340A;"

Page 1, line 32, delete "; Laws" and insert a period

Page 1, delete line 33

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

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

S.F. No. 386: A bill for an act relating to health; modifying provisions relating to nursing home moratorium exceptions; amending Minnesota Statutes 1994, sections 144A.071, subdivisions 1 and 1a; and 144A.073, subdivisions 1, 2, 3, 4, 8, and by adding a subdivision.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1994, section 144A.071, subdivision 2, is amended to read:

Subd. 2. [MORATORIUM.] The commissioner of health, in coordination with the commissioner of human services, shall deny each request for new licensed or certified nursing home or certified boarding care beds except as provided in subdivision 3 or 4a, or section 144A.073. "Certified bed" means a nursing home bed or a boarding care bed certified by the commissioner of health for the purposes of the medical assistance program, under United States Code, title 42, sections 1396 et seq.

The commissioner of human services, in coordination with the commissioner of health, shall deny any request to issue a license under section 252.28 and chapter 245A to a nursing home or boarding care home, if that license would result in an increase in the medical assistance reimbursement amount.

In addition, the commissioner of health must not approve any construction project whose cost exceeds \$500,000, or 25 percent of the facility's appraised value, whichever is less, unless:

(a) any construction costs exceeding the lesser of \$500,000 or 25 percent of the facility's appraised value are not added to the facility's appraised value and are not included in the facility's payment rate for reimbursement under the medical assistance program; or

(b) the project:

(1) has been approved through the process described in section 144A.073;

(2) meets an exception in subdivision 3 or 4a;

(3) is necessary to correct violations of state or federal law issued by the commissioner of health;

(4) is necessary to repair or replace a portion of the facility that was ~~destroyed~~ damaged by fire, lightning, or other hazards provided that the provisions of subdivision 4a, clause (a), are met;

(5) as of May 1, 1992, the facility has submitted to the commissioner of health written documentation evidencing that the facility meets the "commenced construction" definition as specified in subdivision 1a, clause (d), or that substantial steps have been taken prior to April 1, 1992, relating to the construction project. "Substantial steps" require that the facility has made arrangements with outside parties relating to the construction project and include the hiring of an architect or construction firm, submission of preliminary plans to the department of health or documentation from a financial institution that financing arrangements for the construction project have been made; or

(6) is being proposed by a licensed nursing facility that is not certified to participate in the medical assistance program and will not result in new licensed or certified beds.

Prior to the final plan approval of any construction project, the commissioner of health shall be provided with an itemized cost estimate for the project construction costs. If a construction project is anticipated to be completed in phases, the total estimated cost of all phases of the project shall be submitted to the commissioner and shall be considered as one construction project. Once the

construction project is completed and prior to the final clearance by the commissioner, the total project construction costs for the construction project shall be submitted to the commissioner. If the final project construction cost exceeds the dollar threshold in this subdivision, the commissioner of human services shall not recognize any of the project construction costs or the related financing costs in excess of this threshold in establishing the facility's property-related payment rate.

The dollar thresholds for construction projects are as follows: for construction projects other than those authorized in clauses (1) to (6), the dollar threshold is \$500,000 or 25 percent of appraised value, whichever is less. For projects authorized after July 1, 1993, under clause (1), the dollar threshold is the cost estimate submitted with a proposal for an exception under section 144A.073, plus inflation as calculated according to section 256B.431, subdivision 3f, paragraph (a). For projects authorized under clauses (2) to (4), the dollar threshold is the itemized estimate project construction costs submitted to the commissioner of health at the time of final plan approval, plus inflation as calculated according to section 256B.431, subdivision 3f, paragraph (a).

The commissioner of health shall adopt emergency or permanent rules to implement this section or to amend the emergency rules for granting exceptions to the moratorium on nursing homes under section 144A.073. The authority to adopt emergency rules continues to December 30, 1992.

Sec. 2. Minnesota Statutes 1994, section 144A.071, subdivision 4a, is amended to read:

Subd. 4a. [EXCEPTIONS FOR REPLACEMENT BEDS.] It is in the best interest of the state to ensure that nursing homes and boarding care homes continue to meet the physical plant licensing and certification requirements by permitting certain construction projects. Facilities should be maintained in condition to satisfy the physical and emotional needs of residents while allowing the state to maintain control over nursing home expenditure growth.

The commissioner of health in coordination with the commissioner of human services, may approve the renovation, replacement, upgrading, or relocation of a nursing home or boarding care home, under the following conditions:

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

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

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

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

(iv) the new facility is constructed on the same site as the destroyed facility or on another site subject to the restrictions in section 144A.073, subdivision 5;

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

(vi) the commissioner determines that the replacement beds are needed to prevent an inadequate supply of beds as defined in subdivision 3, paragraph (a).

Project construction costs incurred for repairs authorized under this clause shall not be considered in the dollar threshold amount defined in subdivision 2;

(b) to license or certify beds that are moved from one location to another within a nursing home facility, provided the total costs of remodeling performed in conjunction with the relocation of beds does not exceed 25 percent of the appraised value of the facility or \$500,000, whichever is less;

(c) to license or certify beds in a project recommended for approval under section 144A.073;

(d) to license or certify beds that are moved from an existing state nursing home to a different state facility, provided there is no net increase in the number of state nursing home beds;

(e) to certify and license as nursing home beds boarding care beds in a certified boarding care facility if the beds meet the standards for nursing home licensure, or in a facility that was granted an exception to the moratorium under section 144A.073, and if the cost of any remodeling of the facility does not exceed 25 percent of the appraised value of the facility or \$500,000, whichever is less. If boarding care beds are licensed as nursing home beds, the number of boarding care beds in the facility must not increase beyond the number remaining at the time of the upgrade in licensure. The provisions contained in section 144A.073 regarding the upgrading of the facilities do not apply to facilities that satisfy these requirements;

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

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

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

(i) to certify, after September 30, 1992, and prior to July 1, 1993, existing nursing home beds in a facility that was licensed and in operation prior to January 1, 1992;

(j) to license and certify new nursing home beds to replace beds in a facility condemned as part of an economic redevelopment plan in a city of the first class, provided the new facility is located within one mile of the site of the old facility. Operating and property costs for the new facility must be determined and allowed under existing reimbursement rules;

(k) to license and certify up to 20 new nursing home beds in a community-operated hospital and attached convalescent and nursing care facility with 40 beds on April 21, 1991, that suspended operation of the hospital in April 1986. The commissioner of human services shall provide the facility with the same per diem property-related payment rate for each additional licensed and certified bed as it will receive for its existing 40 beds;

(l) to license or certify beds in renovation, replacement, or upgrading projects as defined in section 144A.073, subdivision 1, so long as the cumulative total costs of the facility's remodeling projects do not exceed 25 percent of the appraised value of the facility or \$500,000, whichever is less;

(m) to license and certify beds that are moved from one location to another for the purposes of converting up to five four-bed wards to single or double occupancy rooms in a nursing home that, as of January 1, 1993, was county-owned and had a licensed capacity of 115 beds;

(n) to allow a facility that on April 16, 1993, was a 106-bed licensed and certified nursing facility located in Minneapolis to layaway all of its licensed and certified nursing home beds. These beds may be relicensed and recertified in a newly-constructed teaching nursing home facility affiliated with a teaching hospital upon approval by the legislature. The proposal must be developed in consultation with the interagency committee on long-term care planning. The beds on layaway status shall have the same status as voluntarily delicensed and decertified beds, except that beds on layaway status remain subject to the surcharge in section 256.9657. This layaway provision expires July 1, 1995;

(o) to allow a project which will be completed in conjunction with an approved moratorium exception project for a nursing home in southern Cass county and which is directly related to that portion of the facility that must be repaired, renovated, or replaced, to correct an emergency plumbing problem for which a state correction order has been issued and which must be corrected by August 31, 1993;

(p) to allow a facility that on April 16, 1993, was a 368-bed licensed and certified nursing facility located in Minneapolis to layaway, upon 30 days prior written notice to the commissioner, up to 30 of the facility's licensed and certified beds by converting three-bed wards to single or double occupancy. Beds on layaway status shall have the same status as voluntarily delicensed and decertified beds except that beds on layaway status remain subject to the surcharge in section 256.9657, remain subject to the license application and renewal fees under section 144A.07 and shall be subject to a \$100 per bed reactivation fee. In addition, at any time within three years of the effective date of the layaway, the beds on layaway status may be:

(1) relicensed and recertified upon relocation and reactivation of some or all of the beds to an existing licensed and certified facility or facilities located in Pine River, Brainerd, or International Falls; provided that the total project construction costs related to the relocation of beds from layaway status for any facility receiving relocated beds may not exceed the dollar threshold provided in subdivision 2 unless the construction project has been approved through the moratorium exception process under section 144A.073;

(2) relicensed and recertified, upon reactivation of some or all of the beds within the facility which placed the beds in layaway status, if the commissioner has determined a need for the reactivation of the beds on layaway status.

The property-related payment rate of a facility placing beds on layaway status must be adjusted by the incremental change in its rental per diem after recalculating the rental per diem as provided in section 256B.431, subdivision 3a, paragraph (d). The property-related payment rate for a facility relicensing and recertifying beds from layaway status must be adjusted by the incremental change in its rental per diem after recalculating its rental per diem using the number of beds after the relicensing to establish the facility's capacity day divisor, which shall be effective the first day of the month following the month in which the relicensing and recertification became effective. Any beds remaining on layaway status more than three years after the date the layaway status became effective must be removed from layaway status and immediately delicensed and decertified;

(q) to license and certify beds in a renovation and remodeling project to convert 13 three-bed wards into 13 two-bed rooms and 13 single-bed rooms, expand space, and add improvements in a nursing home that, as of January 1, 1994, met the following conditions: the nursing home was located in Ramsey county; was not owned by a hospital corporation; had a licensed capacity of 64 beds; and had been ranked among the top 15 applicants by the 1993 moratorium exceptions advisory review panel. The total project construction cost estimate for this project must not exceed the cost estimate submitted in connection with the 1993 moratorium exception process; or

(r) to license and certify beds in a renovation and remodeling project to convert 12 four-bed wards into 24 two-bed rooms, expand space, and add improvements in a nursing home that, as of January 1, 1994, met the following conditions: the nursing home was located in Ramsey county; had a licensed capacity of 154 beds; and had been ranked among the top 15 applicants by the 1993

moratorium exceptions advisory review panel. The total project construction cost estimate for this project must not exceed the cost estimate submitted in connection with the 1993 moratorium exception process.

Sec. 3. Minnesota Statutes 1994, section 144A.071, is amended by adding a subdivision to read:

Subd. 5a. [COST ESTIMATE OF A MORATORIUM EXCEPTION PROJECT.] For the purposes of this section and section 144A.073, the cost estimate of a moratorium exception project shall include the effects of the proposed project on the costs of the state subsidy for community-based services, nursing services, and housing in institutional and noninstitutional settings. The commissioner of health, in cooperation with the commissioner of human services, shall define the method for estimating these costs in the permanent rule implementing section 144A.073. The commissioner of human services shall prepare an estimate of the total state annual long-term costs of each moratorium exception proposal.

Sec. 4. Minnesota Statutes 1994, section 144A.073, subdivision 1, is amended to read:

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

(a) "Conversion" means the relocation of a nursing home bed from a nursing home to an attached hospital.

(b) "Relocation" means the movement of licensed nursing home beds or certified boarding care beds as permitted under subdivision 4, clause (3), and subdivision 5.

(c) "Renovation" means extensive remodeling of, or construction of an addition to, a facility on an existing site with a total cost exceeding ten percent of the appraised value of the facility or \$200,000, whichever is less.

(e) (d) "Replacement" means the demolition of, delicensure, reconstruction, or construction of an addition to all or part of an existing facility.

(d) (e) "Upgrading" means a change in the level of licensure of a bed from a boarding care bed to a nursing home bed in a certified boarding care facility.

Sec. 5. Minnesota Statutes 1994, section 144A.073, subdivision 2, is amended to read:

Subd. 2. [REQUEST FOR PROPOSALS.] At the intervals specified in rules authorization by the legislature of additional medical assistance expenditures for exceptions to the moratorium on nursing homes, the interagency committee shall publish in the State Register a request for proposals for nursing home projects to be licensed or certified under section 144A.071, subdivision 4a, clause (c). The public notice of this funding and the request for proposals must specify how the approval criteria will be prioritized by the advisory review panel, the interagency long-term care planning committee, and the commissioner. The notice must describe the information that must accompany a request and state that proposals must be submitted to the interagency committee within 90 days of the date of publication. The notice must include the amount of the legislative appropriation available for the additional costs to the medical assistance program of projects approved under this section. If no money is appropriated for a year, the notice for that year must state that proposals will not be requested because no appropriations were made the interagency committee shall publish a notice to that effect, and no proposals shall be requested. If money is appropriated, the interagency committee shall initiate the application and review process described in this section at least twice each biennium and up to four times each biennium, according to dates established by rule. Authorized funds shall be allocated proportionally to the number of processes. Funds not encumbered by an earlier process within a biennium shall carry forward to subsequent iterations of the process. Authorization for expenditures does not carry forward into the following biennium. To be considered for approval, a proposal must include the following information:

(1) whether the request is for renovation, replacement, upgrading, or conversion, or relocation;

(2) a description of the problem the project is designed to address;

- (3) a description of the proposed project;
- (4) an analysis of projected costs of the nursing facility proposal, including initial construction and remodeling costs; site preparation costs; financing costs, including the current estimated long-term financing costs of the proposal, which consists of the amount and sources of money, reserves if required under the proposed funding mechanism, annual payments scheduled, interest rates, length of term, closing costs and fees, insurance costs, and any completed marketing study or underwriting review; and estimated operating costs during the first two years after completion of the project;
- (5) for proposals involving replacement of all or part of a facility, the proposed location of the replacement facility and an estimate of the cost of addressing the problem through renovation;
- (6) for proposals involving renovation, an estimate of the cost of addressing the problem through replacement;
- (7) the proposed timetable for commencing construction and completing the project; and
- (8) a statement of any licensure or certification issues, such as certification survey deficiencies;
- (9) the proposed alternative disposition of current residents if beds are to be closed so that the department of human services can estimate the total costs of a proposal; and
- (10) other information required by permanent rule of the commissioner of health in accordance with subdivisions 4 and 8.

Sec. 6. Minnesota Statutes 1994, section 144A.073, subdivision 3, is amended to read:

Subd. 3. [REVIEW AND APPROVAL OF PROPOSALS.] Within the limits of money specifically appropriated to the medical assistance program for this purpose, the interagency long-term care planning committee may recommend that the commissioner of health grant exceptions to the nursing home licensure or certification moratorium for proposals that satisfy the requirements of this section. The interagency committee shall appoint an advisory review panel composed of representatives of consumers and providers to review proposals and provide comments and recommendations to the committee. The commissioners of human services and health shall provide staff and technical assistance to the committee for the review and analysis of proposals. The interagency committee shall hold a public hearing before submitting recommendations to the commissioner of health on project requests. The committee shall submit recommendations within 150 days of the date of the publication of the notice, ~~based on a comparison and ranking of proposals using the criteria in subdivision 4.~~ The commissioner of health shall approve or disapprove a project within 30 days after receiving the committee's recommendations. The advisory review panel, the committee, and the commissioner of health shall base their recommendations, approvals, or disapprovals on a comparison and ranking of proposals using only the criteria in subdivision 4 and in emergency and permanent rules adopted by the commissioner. The cost to the medical assistance program of the proposals approved must be within the limits of the appropriations specifically made for this purpose. Approval of a proposal expires 18 months after approval by the commissioner of health unless the facility has commenced construction as defined in section 144A.071, subdivision 1a, paragraph (d). The committee's report to the legislature, as required under section 144A.31, must include the projects approved, the criteria used to recommend proposals for approval, and the estimated costs of the projects, including the costs of initial construction and remodeling, and the estimated operating costs during the first two years after the project is completed.

Sec. 7. Minnesota Statutes 1994, section 144A.073, is amended by adding a subdivision to read:

Subd. 3c. [COST NEUTRAL RELOCATION PROJECTS.] Notwithstanding subdivision 3, the interagency committee may at any time accept proposals for relocations that are cost neutral with respect to state costs as defined in section 144A.071, subdivision 5a. The committee shall review these applications and make recommendations to the commissioner within 90 days. The committee must evaluate proposals according to subdivision 4, clauses (1), (2), and (3), and other criteria established in rule. The commissioner shall approve or disapprove a project within 30 days of receiving the committee's recommendation.

Sec. 8. Minnesota Statutes 1994, section 144A.073, subdivision 4, is amended to read:

Subd. 4. [CRITERIA FOR REVIEW.] (a) The following criteria must shall be used in a consistent manner to compare and, evaluate, and rank all proposals submitted. Except for the criteria specified in clause (3), the application of criteria listed under this paragraph shall not reflect any distinction based on the geographic location of the proposed project:

(1) the extent to which the average occupancy rate of the facility supports the need for the proposed project;

(2) the extent to which the average occupancy rate of all facilities in the county in which the applicant is located, together with all contiguous Minnesota counties, supports the need for the proposed project;

(3) the extent to which the proposal furthers state long-term care goals, including the goals stated in section 144A.31, and including the goal of enhancing the availability and use of alternative care services and the goal of reducing the number of long-term care resident rooms with more than two beds;

(4) the cost effectiveness of the proposal, including (2) the proposal's long-term effects on the state costs of the medical assistance program, as determined by the commissioner of human services; and including the cost estimate of the project according to section 144A.071, subdivision 5a;

(5) other factors developed in rule by the commissioner of health that evaluate and assess how the proposed project will further promote or protect the health, safety, comfort, treatment, or well-being of the facility's residents.

(b) In addition to the criteria in paragraph (a), the following criteria must be used to evaluate, compare, and rank proposals involving renovation or replacement:

(3) the extent to which the proposal promotes equitable access to long-term care services in nursing homes through redistribution of the nursing home bed supply, as measured by the number of beds relative to the population 85 or older, projected to the year 2000 by the state demographer, and according to items (i) through (iv):

(i) reduce beds in counties where the supply is relatively high, and increase beds in counties where the supply is relatively low;

(ii) adjust the bed supply so as to create the greatest benefits in improving the distribution of beds;

(iii) adjust the existing bed supply in counties so that the bed supply in the counties, together with all contiguous Minnesota counties, moves toward the statewide mean; and

(iv) adjust the existing bed supply so that the distribution of beds as projected for the year 2020 would be consistent with projected need;

(4) (4) the extent to which the project improves conditions that affect the health or safety of residents, such as narrow corridors, narrow door frames, unenclosed fire exits, and wood frame construction, and similar provisions contained in fire and life safety codes and licensure and certification rules;

(2) (5) the extent to which the project improves conditions that affect the comfort or quality of life of residents in a facility or the ability of the facility to provide efficient care, such as a relatively high number of residents in a room; inadequate lighting or ventilation; poor access to bathing or toilet facilities; a lack of available ancillary space for dining rooms, day rooms, or rooms used for other activities; problems relating to heating, cooling, or energy efficiency; inefficient location of nursing stations; narrow corridors; or other provisions contained in the licensure and certification rules;

(6) the extent to which the applicant demonstrates the delivery of quality care to residents as evidenced by the two most recent state agency certification surveys and the applicants' response to those surveys;

(7) the extent to which the project removes the need for waivers or variances previously granted by either the licensing agency, certifying agency, fire marshal, or local government entity; and

(8) other factors that may be developed in permanent rule by the commissioner of health that evaluate and assess how the proposed project will further promote or protect the health, safety, comfort, treatment, or well-being of the facility's residents.

Sec. 9. Minnesota Statutes 1994, section 144A.073, subdivision 8, is amended to read:

Subd. 8. [RULEMAKING.] The commissioner of health shall adopt ~~emergency or permanent~~ rules to implement this section. The permanent rules must be in accordance with and implement only the criteria listed in this section. The authority to adopt emergency permanent rules continues until December 30, 1988 July 1, 1996.

Sec. 10. [REPEALER.]

Minnesota Statutes 1994, section 144A.073, subdivision 3a, is repealed.

Sec. 11. [EFFECTIVE DATE.]

Sections 3, 4, 7, and 8 are effective the day following final enactment."

Amend the title as follows:

Page 1, line 4, delete "1 and" and insert "2,"

Page 1, line 5, delete "1a" and insert "4a, and by adding a subdivision"

Page 1, line 6, before the period, insert "; repealing Minnesota Statutes 1994, section 144A.073, subdivision 3a"

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

Ms. Piper from the Committee on Family Services, to which was referred

S.F. No. 342: A bill for an act relating to children; modifying liability provisions for child abuse investigations; providing for attorney fees in certain actions; providing for the establishment of protocols for investigations; prohibiting certain conflicts of interest; providing for access to data regarding determinations of maltreatment; amending Minnesota Statutes 1994, section 626.556, subdivisions 4, 10e, 11, and by adding subdivisions.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1994, section 626.556, subdivision 4, is amended to read:

Subd. 4. [IMMUNITY FROM LIABILITY.] (a) The following persons are immune from any civil or criminal liability that otherwise might result from their actions, if they are acting in good faith:

(1) any person making a voluntary or mandated report under subdivision 3 or under section 626.5561 or assisting in an assessment under this section or under section 626.5561;

(2) any ~~social worker~~ person with responsibility for performing duties under this section or supervisor employed by a local welfare agency complying with subdivision 10d ~~or the provisions of section 626.5561~~; and

(3) any public or private school, facility as defined in subdivision 2, or the employee of any public or private school or facility who permits access by a local welfare agency or local law enforcement agency and assists in an investigation or assessment pursuant to subdivision 10 or under section 626.5561.

(b) A person who is a supervisor or ~~social worker~~ person with responsibility for performing duties under this section employed by a local welfare agency complying with subdivisions 10 and 11 or section 626.5561 or any related rule or provision of law is immune from any civil or criminal liability that might otherwise result from the person's actions, if the person is acting in good faith and exercising due care, or in accordance with the protocols established under subdivision 9a.

(c) This subdivision does not provide immunity to any person for failure to make a required report or for committing neglect, physical abuse, or sexual abuse of a child.

(d) If a person who makes a voluntary or mandatory report under subdivision 3 prevails in a civil action from which the person has been granted immunity under this subdivision, the court may award the person attorney fees and costs.

Sec. 2. Minnesota Statutes 1994, section 626.556, is amended by adding a subdivision to read:

Subd. 4b. [LIABILITY; COSTS AND ATTORNEY FEES.] If a person who is an alleged perpetrator prevails in a civil action arising out of an assessment, determination, or bad faith report made under this section, the person is entitled to costs and reasonable attorney fees in the action. This subdivision does not apply to criminal or juvenile court proceedings. This subdivision does not affect the immunity provisions of this section or other law.

Sec. 3. Minnesota Statutes 1994, section 626.556, is amended by adding a subdivision to read:

Subd. 9a. [PROTOCOL GOVERNING ABUSE AND NEGLECT ASSESSMENTS.] (a) The local welfare agency shall collect, if available, the information specified under this subdivision with regard to the person reporting the alleged maltreatment, the child allegedly being maltreated, the alleged perpetrator, and other collateral sources having relevant information related to the alleged maltreatment:

(1) the reporter's age, sex, educational background, and occupation; the nature of the relationship to the child and alleged perpetrator; the basis of knowledge for the report; a record check for prior reports of maltreatment, mental health treatment and related hospitalization, civil commitments, and criminal charges and convictions;

(2) the child's sex and age; prior reports of maltreatment and exposure to educational programs describing maltreatment; mental health treatment and related hospitalization, civil commitments, and criminal charges and convictions; the nature of the relationship to the reporter and the alleged perpetrator; information relating to intellectual and developmental functioning, memory capacity, ability to distinguish fact from fantasy, appreciation of honesty, and indications of coaching; and whether the information provided under this paragraph is consistent with the collateral source information under clause (4);

(3) the alleged perpetrator's age, a record check for prior reports of maltreatment, mental health treatment and related hospitalization, civil commitments, and criminal charges and convictions. The local welfare agency must provide the alleged perpetrator with an opportunity to make a statement and submit affidavits, letters, psychological data and reports, medical data and reports, and psycho-physiologic data and reports to the local welfare agency; and

(4) collateral source information, which includes: (i) a medical examination if sexual abuse is alleged; (ii) prior medical records relating to the allegation and an interview with the prior treating professional; (iii) psychological testing if the local agency is uncertain, under clause (2), of the child's intellectual or developmental functioning or where there is a possible presence of thought disorder; (iv) prior psychological records and an interview with the prior treating professional; (v) an interview with the child's caretakers, including the child's parent, guardian, foster parent, day care provider, preschool and school teachers, and counselors; (vi) an interview with the child's family members who may have information related to the allegation, such as the child's siblings, aunts, uncles, cousins, and grandparents; and (vii) an interview with the witnesses to the alleged maltreatment.

(b) The local welfare agency shall use the following interviewing methods, procedures, and format when collecting the information under paragraph (a):

(1) a written summary of all interviews with adult witnesses and collateral sources and, if possible, audio recordings of each interview, which must be maintained for one year;

(2) audio-video recordings of each interview with the child witnesses and the alleged victim, in which the camera lens must capture both the child and the questioner throughout the entire interview; however, if use of audio-video equipment is not practical, the entire interview must be audio taped and recordings must be maintained for one year;

(3) a question and answer interviewing format with questioning as nondirective as possible to elicit spontaneous responses. If open-ended questions are not productive, more directive questioning should follow. The number of times such witness has previously been questioned, the time and date of said prior questioning, and the participants in said prior questioning should be established. Audio-visual aids, such as anatomical dolls and drawings, should be used only after verbal questioning has proven unsuccessful and they should not be used for diagnostic purposes.

(c) A potential conflict of interest related to assisting in an assessment resulting in a direct or shared financial interest with a child abuse and neglect treatment provider must be considered by the county agency in an effort to prevent unethical relationships.

Sec. 4. Minnesota Statutes 1994, section 626.556, subdivision 10e, is amended to read:

Subd. 10e. [DETERMINATIONS.] Upon the conclusion of every assessment or investigation it conducts, the local welfare agency shall make two determinations: first, whether maltreatment has occurred; and second, whether child protective services are needed. Determinations under this subdivision must be made based on a preponderance of the evidence.

(a) For the purposes of this subdivision, "maltreatment" means any of the following acts or omissions committed by a person responsible for the child's care:

- (1) physical abuse as defined in subdivision 2, paragraph (d);
- (2) neglect as defined in subdivision 2, paragraph (c);
- (3) sexual abuse as defined in subdivision 2, paragraph (a); or
- (4) mental injury as defined in subdivision 2, paragraph (k).

(b) For the purposes of this subdivision, a determination that child protective services are needed means that the local welfare agency has documented conditions during the assessment or investigation sufficient to cause a child protection worker, as defined in section 626.559, subdivision 1, to conclude that a child is at significant risk of maltreatment if protective intervention is not provided and that the individuals responsible for the child's care have not taken or are not likely to take actions to protect the child from maltreatment or risk of maltreatment.

(c) This subdivision does not mean that maltreatment has occurred solely because the child's parent, guardian, or other person responsible for the child's care in good faith selects and depends upon spiritual means or prayer for treatment or care of disease or remedial care of the child, in lieu of medical care. However, if lack of medical care may result in serious danger to the child's health, the local welfare agency may ensure that necessary medical services are provided to the child.

Sec. 5. Minnesota Statutes 1994, section 626.556, subdivision 11, is amended to read:

Subd. 11. [RECORDS.] Except as provided in subdivisions 10b, 10d, 10g, and 11b, and 11d, all records concerning individuals maintained by a local welfare agency under this section, including any written reports filed under subdivision 7, shall be private data on individuals, except insofar as copies of reports are required by subdivision 7 to be sent to the local police department or the county sheriff. Reports maintained by any police department or the county sheriff shall be private data on individuals except the reports shall be made available to the investigating, petitioning, or prosecuting authority, including county medical examiners or county coroners. Section 13.82, subdivisions 5, 5a, and 5b, apply to law enforcement data other than the reports. The local social services agency shall make available to the investigating, petitioning, or prosecuting authority, including county medical examiners or county coroners or their professional delegates, any

records which contain information relating to a specific incident of neglect or abuse which is under investigation, petition, or prosecution and information relating to any prior incidents of neglect or abuse involving any of the same persons. The records shall be collected and maintained in accordance with the provisions of chapter 13. In conducting investigations and assessments pursuant to this section, the notice required by section 13.04, subdivision 2, need not be provided to a minor under the age of ten who is the alleged victim of abuse or neglect. An individual subject of a record shall have access to the record in accordance with those sections, except that the name of the reporter shall be confidential while the report is under assessment or investigation except as otherwise permitted by this subdivision. Any person conducting an investigation or assessment under this section who intentionally discloses the identity of a reporter prior to the completion of the investigation or assessment is guilty of a misdemeanor. After the assessment or investigation is completed, the name of the reporter shall be confidential. The subject of the report may compel disclosure of the name of the reporter only with the consent of the reporter or upon a written finding by the court that the report was false and that there is evidence that the report was made in bad faith. This subdivision does not alter disclosure responsibilities or obligations under the rules of criminal procedure.

Sec. 6. Minnesota Statutes 1994, section 626.556, is amended by adding a subdivision to read:

Subd. 11d. [DISCLOSURE OF INFORMATION TO SUBJECT OF REPORT.] If a determination is made that maltreatment has occurred or that child protective services are needed, the person determined to be maltreating the child and the director of the facility, if applicable, may request, and the local welfare agency shall provide, a summary of the specific reasons for the determination and certification that the protocols under subdivision 9a were followed. Data otherwise prohibited from disclosure under chapters 13, 626, and applicable federal laws shall not be disclosed under this subdivision.

Sec. 7. Minnesota Statutes 1994, section 626.556, is amended by adding a subdivision to read:

Subd. 14. [CONFLICT OF INTEREST.] A person who conducts an assessment under this section or section 626.5561 may not have any direct or shared financial interest or referral relationship resulting in a direct shared financial gain with a child abuse and neglect treatment provider. If an independent assessor is not available, the person responsible for making the determination under this section may use the services of an assessor with a financial interest or referral relationship, as authorized under rules adopted by the commissioner of human services.

Sec. 8. [EFFECTIVE DATE.]

Section 2 is effective August 1, 1996."

Delete the title and insert:

"A bill for an act relating to children; modifying liability provisions for child abuse investigations; providing for attorney fees in certain actions; providing for the establishment of protocols for investigations; prohibiting certain conflicts of interest; providing for access to data regarding determinations of maltreatment; amending Minnesota Statutes 1994, section 626.556, subdivisions 4, 10e, 11, and by adding subdivisions."

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

Ms. Piper from the Committee on Family Services, to which was referred

S.F. No. 1: A bill for an act relating to welfare reform; requiring pregnant and parenting minors to live with their parents in order to receive AFDC; providing an exception to the AFDC overpayment statute for recipients who have become employed; broadening the scope of the employment and training statute by requiring more AFDC recipients to participate in job searches; allowing vendor emergency assistance payments for damage deposit; providing required workers' compensation insurance for the community work experience program; expanding cost-neutral fraud prevention programs; allowing emergency assistance damage deposit be returned to the county; allowing the county to pay monthly general assistance differently; making general assistance and work readiness lump-sum criteria the same as the AFDC lump-sum criteria, with

some exceptions; requiring the departments of human services and revenue to design and implement a plan which supports working families; directing the commissioner of human services to seek several waivers from the federal government which support and promote self-sufficiency; expanding the parent's fair share pilot project in Ramsey county and requiring a study to expand the pilot project statewide; expanding state support for basic sliding fee day care program; appropriating money; amending Minnesota Statutes 1994, sections 256.031, subdivision 3; 256.73, subdivision 8, and by adding subdivisions; 256.736, subdivisions 5, 10, and by adding a subdivision; 256.737, by adding a subdivision; 256.81; 256.979, by adding a subdivision; 256.983, subdivision 1; 256D.03, subdivision 4; 256D.05, subdivision 6; and 256D.09, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapters 256; and 256D; repealing Minnesota Statutes 1994, section 256.734.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1994, section 256.035, subdivision 6d, is amended to read:

Subd. 6d. ~~[LENGTH OF JOB SEARCH OBLIGATION TO SEEK AND OBTAIN FULL-TIME EMPLOYMENT.]~~ (a) When the family support agreement specifies a date when job search should begin, the parental caregiver must participate in employment search activities. If, after three months of search, the parental caregiver does not find a job that is consistent with the parental caregiver's employment goal, the parent must accept any suitable employment. The search may be extended for up to three months if the parental caregiver seeks and needs additional job search assistance.

(b) When the family support agreement specifies job search consistent with the overall employment goal, the caregiver is expected to seek and accept full-time employment. For this purpose, full-time employment means 30 or more hours a week. Caregivers who are single parents with a child under six satisfy this requirement by working 20 or more hours a week.

(c) A caregiver currently enrolled in the Minnesota family investment plan who voluntarily quits suitable employment without good cause or without agreement of the case manager, or who is terminated for nonperformance, must notify the case manager or designee within ten calendar days of the date employment ended to schedule a meeting to revise the family support agreement. A caregiver who fails to notify the case manager or designee within the required time or fails to attend a scheduled meeting to revise the family support agreement is subject to sanction. If the revised family support agreement specifies job search, the caregiver must take any suitable employment. A caregiver who fails to comply is subject to sanction. A caregiver who voluntarily quits suitable employment with good cause or who is laid off must notify the case manager or designee within ten calendar days of the date employment ended to schedule a meeting to revise the family support agreement. A caregiver who fails to notify the case manager or designee within the required time or fails to attend a scheduled meeting to revise the family support agreement is subject to sanction. If the family support agreement specifies job search, the search is limited to three months to find a job related to the caregiver's overall employment goal. After three months, the caregiver must take any suitable employment. A caregiver who fails to comply is subject to sanction.

Sec. 2. [256.047] [EXPANSION OF MFIP TO RAMSEY COUNTY (MFIP-R).]

Subdivision 1. [MISSION STATEMENT.] The goal of MFIP-R employment and pre-employment services is to help caregivers increase their family income in a timely manner through paid employment.

Subd. 2. [SERVICE PROVIDING AGENCIES.] Employment and pre-employment services must be offered by providers certified by the commissioner of economic security who meet the standards in section 268.871, subdivision 1. County agencies must ensure that all services, including contracted services, meet the requirements of MFIP-R services according to section 256.048, subdivision 6.

Subd. 3. [STAFFING.] County agencies may hire MFIP-R staff, which includes employment specialists, job developers, and vocational counselors to provide pre-employment and employment

services described in section 256.048, subdivision 6, and coordinate social and support services. County agencies are expected to ensure that staff providing employment and pre-employment services have the necessary training and experience to perform the specific services which they are assigned to do.

Sec. 3. [256.0475] [DEFINITIONS.]

Subdivision 1. [EMPLOYABILITY PLAN.] "Employability plan" means the plan developed by MFIP-R staff and the caregiver under section 256.048.

Subd. 2. [FAMILY SUPPORT AGREEMENT.] "Family support agreement" means the subsection of the employability plan which is limited to employment, education, employment and training services, and scheduled meetings with MFIP-R staff. For mandatory caregivers, noncompliance with the family support agreement may result in sanction.

Subd. 3. [MANDATORY CAREGIVER.] "Mandatory caregiver" means a caregiver who is required to develop a family support agreement under section 256.048, and is not exempt under that section.

Subd. 4. [MFIP-R.] "MFIP-R" means the pre-employment and employment program under section 256.048 provided to caregivers assigned to the Minnesota family investment plan in Ramsey county who receive financial assistance under sections 256.033, 256.034, and 256.036.

Sec. 4. [256.048] [INCOME SUPPORT AND TRANSITION.]

Subdivision 1. [EXPECTATIONS.] The requirement for a caregiver to develop a family support agreement is tied to the structure of the family and the length of time on assistance according to paragraphs (a) to (c).

(a) In a family headed by a single adult parental caregiver who has received AFDC, family general assistance, MFIP, or a combination of AFDC, family general assistance, and MFIP assistance for 12 or more months within the preceding 24 months, the parental caregiver must be developing and complying with the terms of the family support agreement commencing with the 13th month of assistance.

(b) For a family with a minor parental caregiver or a family whose parental caregiver is 18 or 19 years of age and does not have a high school diploma or its equivalent, the parental caregiver must be developing and complying with a family support agreement concurrent with the receipt of assistance. The terms of the family support agreement must include compliance with section 256.736, subdivision 3b. If the parental caregiver fails to comply with the terms of the family support agreement, the sanctions in subdivision 4 apply. When the requirements in section 256.736, subdivision 3b, have been met, a caregiver has fulfilled the caregiver's obligation. County agencies must continue to offer MFIP-R services if the caregiver wants to continue with an employability plan. Caregivers who fulfill the requirements of section 256.736, subdivision 3b, are subject to the expectations of paragraphs (a) and (c).

(c) In a family with two adult parental caregivers, at least one of whom has received AFDC, family general assistance, MFIP, or a combination of AFDC, family general assistance, and MFIP assistance for six or more months within the preceding 12 months, one parental caregiver must be developing and complying with the terms of the family support agreement commencing with the seventh month of assistance. The family and MFIP-R staff will designate the parental caregiver who will develop the family support agreement based on which parent has the greater potential to increase family income through immediate employment.

Subd. 2. [EXEMPTIONS.] A caregiver is exempt from expectations as provided in paragraphs (a) and (b).

(a) Except for clause (4), which applies only for a single-parent family, a caregiver in a single-parent or two-parent family is exempt from the expectations of MFIP-R if the caregiver is:

(1) ill, incapacitated, or 60 years of age or older;

(2) needed in the home because of the illness or incapacity of another family member;

(3) the parent of a child under one year of age and is personally providing care for the child. This exemption does not apply to the school attendance requirement for minor parents or 18- and 19-year old parents as provided in section 256.736, subdivision 3b, paragraphs (f) and (g);

(4) the parent of a child under six years of age and is employed or participating in education or employment and training services for 20 or more hours per week. This exemption does not apply to the school attendance requirement for minor parents or 18- and 19-year-old parents as provided in section 256.736, subdivision 3b, paragraph (f), clause (5);

(5) working 30 hours or more per week or, if the number of hours cannot be verified, earns weekly, at least the federal minimum hourly wage rate multiplied by 30;

(6) in the second or third trimester of pregnancy; or

(7) not the natural parent, adoptive parent, or stepparent of a minor child in the assistance unit.

(b) In a two-parent household, only one parent may be exempt under paragraph (a), clause (2) or (3). If paragraph (a), clause (5), applies to either parent in a two-parent family, the other parent is exempt. In a two-parent household, if the parent designated to develop a family support agreement becomes exempt and the exemption is expected to last longer than six months, then the second parent is required to develop a family support agreement unless otherwise exempt under paragraph (a).

Subd. 3. [GOOD CAUSE FOR FAILURE TO COMPLY.] Caregivers may claim the following reasons as good cause for failure to comply with the expectations of MFIP-R employment and pre-employment services:

(1) needed child care is not available;

(2) the job does not meet the definition of suitable employment according to section 256.736, subdivision 1a, paragraph (h);

(3) the parental caregiver is ill, incapacitated, or injured;

(4) a family member is ill and needs care by the parental caregiver;

(5) the parental caregiver is unable to secure the necessary transportation;

(6) the parental caregiver is in an emergency situation;

(7) the schedule of compliance with the family support agreement conflicts with judicial proceedings;

(8) the parental caregiver is already participating in acceptable activities;

(9) the family support agreement requires an educational program for a parent under the age of 20, but the educational program is not offered in the school district;

(10) activities identified in the family support agreement are not available;

(11) the parental caregiver is willing to accept suitable employment but employment is not available;

(12) the parental caregiver documents other verifiable impediments to compliance with the family support agreement beyond the parental caregiver's control; or

(13) the family support agreement requires an educational program for a parent under the age of 20, but the only available school program requires round trip commuting time from the custodial parent's residence of more than two hours by available means of transportation, excluding the time necessary to transport children to and from child care.

Subd. 4. [SANCTION.] The county agency must reduce an assistance unit's assistance payment by ten percent of the transitional standard for the applicable family size when a caregiver, who is not exempt from the expectations in this section, fails to attend a mandatory briefing, fails

to attend scheduled meetings with MFIP-R staff, or fails to develop or comply with the terms of the caregiver's family support agreement. MFIP-R staff must send caregivers a notice of intent to sanction. For the purpose of this section, "notice of intent to sanction" means MFIP-R staff must provide written notification to the caregiver that the caregiver is not fulfilling the requirement to develop or comply with the family support agreement. This notification must inform the caregiver of the right to request a conciliation conference within ten days of the mailing of the notice of intent to sanction or the right to request a fair hearing under section 256.045. If a caregiver requests a conciliation conference, the county agency must postpone implementation of the sanction pending completion of the conciliation conference. If the caregiver does not request a conciliation conference within ten calendar days of the mailing of the notice of intent to sanction, the MFIP-R staff must notify the county agency that the assistance payment should be reduced.

Upon notification from MFIP-R staff that an assistance payment should be reduced, the county agency must send a notice of adverse action to the caregiver stating that the assistance payment will be reduced in the next month following the ten-day notice requirement and state the reason for the action. For the purpose of this section, "notice of adverse action" means the county agency must send a notice of sanction, reduction, suspension, denial, or termination of benefits before taking any of those actions. The caregiver may request a fair hearing under section 256.045, upon notice of intent to sanction or notice of adverse action, but the conciliation conference is available only upon notice of intent to sanction.

Subd. 5. [ORIENTATION.] The county agency must provide a financial assistance orientation which supplies information to caregivers about the MFIP-R and must encourage parental caregivers to engage in activities to stabilize the family and lead to employment and self-support.

Subd. 6. [PRE-EMPLOYMENT AND EMPLOYMENT SERVICES.] The county agency must provide services identified in clauses (1) to (10). Services include:

(1) a required briefing for all nonmandatory caregivers assigned to MFIP-R, which includes a review of the information presented at an earlier MFIP-R orientation pursuant to subdivision 5, and an overview of services available under MFIP-R pre-employment and employment services, an overview of job search techniques, and the opportunity to volunteer for MFIP-R job search activities and basic education services;

(2) a briefing for all mandatory caregivers assigned to MFIP-R, which includes a review of the information presented at an earlier MFIP-R orientation pursuant to subdivision 5, and an overview of services available under MFIP-R pre-employment and employment services;

(3) an MFIP assessment that meets the requirements of section 256.736, subdivision 10, paragraph (a), clause (14), and addresses caregivers' skills, abilities, interests, and needs;

(4) development, together with the caregiver, of an employability plan and family support agreement according to subdivision 7;

(5) coordination of services including child care, transportation, education assistance, and social services necessary to enable caregivers to fulfill the terms of the employability plan and family support agreement;

(6) provision of full-time English as a second language (ESL) classes;

(7) provision of a broad range of employment and pre-employment services including basic skills testing, interest and aptitude testing, career exploration, job search activities, community work experience program under section 256.737, or on-the-job training under section 256.738;

(8) evaluation of the caregiver's compliance with the employability plan and family support agreement and support and recognition of progress toward employment goals;

(9) provision of postemployment follow-up for up to six months after caregivers become exempt or exit MFIP-R due to employment if requested by the caregiver; and

(10) approval of education and training program activities.

Subd. 7. [EMPLOYABILITY PLAN AND FAMILY SUPPORT AGREEMENT.] (a) The

caregiver and MFIP-R staff will develop an employability plan and family support agreement. The employability plan includes the caregiver's overall employment goal, activities necessary to reach that goal, a timeline for each activity, and the support services provided by the agency. All activities in the employability plan must contribute to the caregiver's overall employment goal.

(b) The family support agreement is the enforceable section of an employability plan for mandatory caregivers. The family support agreement must be limited to employment, education, or employment and training services, and scheduled meetings with MFIP-R staff. The family support agreement must be signed by both an MFIP-R staff and the parental caregiver.

(1) In developing an employability plan and family support agreement, MFIP-R staff must discuss with the caregiver the economic benefits under MFIP of taking available employment. MFIP-R staff must provide examples of how different levels of earnings increase available income.

(2) Activities in the family support agreement must enhance the family's opportunities to increase its income in a timely manner through paid employment.

(3) Each step of the family support agreement shall build upon prior steps and facilitate progress toward the caregiver's overall employment goal.

(4) Social services, such as mental health or chemical dependency services, parenting education, or budget management, can be included in the employability plan but not in the family support agreement and are not subject to sanctions under subdivision 4.

(5) The family support agreement must state the parental caregiver's obligations and the standards for satisfactory compliance with the requirements of MFIP-R.

Subd. 8. [REQUIREMENT TO ATTEND BRIEFING.] All MFIP-R caregivers are required to attend a mandatory briefing which includes a review of the information presented at an earlier MFIP-R orientation pursuant to subdivision 5, and an overview of services available under MFIP-R pre-employment and employment services.

Subd. 9. [REQUIREMENT TO PARTICIPATE IN JOB SEARCH.] The family support agreement for mandatory caregivers will include 30 hours per week of job search activity. The family support agreement for single parental caregivers with a child under the age of six may require no more than 20 hours of job search activity. Job search requirements do not apply to minor parental caregivers and parental caregivers under the age of 20 who must meet the educational requirement under section 256.736, subdivision 3b.

Subd. 10. [LENGTH OF JOB SEARCH.] Caregivers participating in job search shall have eight weeks to find employment which is consistent with the employment goal in the family support agreement. If after eight weeks of job search the parental caregiver does not find employment consistent with the overall employment goal, the caregiver must accept any suitable employment.

Subd. 11. [LEVEL OF EMPLOYMENT.] Caregivers participating in job search are expected to seek and accept full-time employment. Any caregiver satisfies this requirement by working at least 30 hours per week. Single parents with a child under the age of six satisfy the requirement by working at least 20 hours per week.

Subd. 12. [CESSATION OF EMPLOYMENT.] Mandatory caregivers who quit a job, are laid off, or are terminated must contact MFIP-R staff within ten calendar days of the date the employment ended to schedule a meeting to revise the family support agreement to incorporate job search activities to obtain suitable employment. A caregiver who fails to contact MFIP-R staff within ten calendar days, fails to attend a scheduled meeting to revise the family support agreement, or fails to accept an offer of suitable employment is subject to sanctions under subdivision 4.

Subd. 13. [EDUCATION AND TRAINING ACTIVITIES; BASIC EDUCATION.] Basic education, including adult basic education, high school or general equivalency diploma, or ESL may be included in the family support agreement when a caregiver is actively participating in job search activities as specified in the family support agreement, or employed at least 12 hours per

week. Six months of basic education activities may be included in the family support agreement, and extension of basic education activities is contingent upon review and approval by MFIP-R staff.

Non-English speaking caregivers have the option to participate in full-time ESL activities for up to six months prior to participation in job search with approval of MFIP-R staff.

Subd. 14. [EDUCATION AND TRAINING ACTIVITIES; POST-SECONDARY EDUCATION.] (a) Mandatory caregivers who become exempt, and caregivers converted from STRIDE or ACCESS may have post-secondary education included in the family support agreement. For individuals who are participating in an educational program under this paragraph on a full-time basis as determined by the institution, there is no work requirement. For individuals participating in an educational program on a part-time basis as determined by the institution, the minimum number of hours that a participant must work shall be increased in proportion to the number of credit hours being taken, up to a maximum of 12 hours weekly of work.

(b) Conditions for approval of a post-secondary education program include demonstration by the caregiver that:

(1) there is a market for full-time employees with this education or training where the caregiver will or is willing to reside upon completion of the program;

(2) the average wage level for employees with this education or training is significantly greater than the caregiver can earn without this education or training;

(3) the caregiver can meet the requirements for admission into the program; and

(4) there is a reasonable expectation that the caregiver will complete the training program based on such factors as the caregiver's current MFIP assessment; previous education, training, and work history; current motivation; and changes in previous circumstances.

(c) A comparison must be made between income foregone by delaying immediate entry into full-time paid employment while in pursuit of education or training and the probable income which will be earned following the education or training. The advantages and disadvantages to the family must be discussed with respect to both options.

(d) Activities under this subdivision are limited to the equivalent of two years of full-time education, with the following exceptions:

(1) caregivers in subdivision 15;

(2) caregivers who have already obtained a post-secondary degree. These caregivers are limited to course work necessary to upgrade skills, or obtain licensure or certification;

(3) extenuating circumstances that prohibit the caregiver from completing the program within the equivalent of two years.

(e) Caregivers in education or training programs must maintain satisfactory progress. "Satisfactory progress" in an education or training program means the caregiver remains in good standing as defined by the education or training institution and meets the requirements in the caregiver's MFIP-R employability plan. MFIP-R staff may withdraw approval of the caregiver's employability plan when the caregiver does not maintain satisfactory progress in the education or training program.

Subd. 15. [CONVERTED STRIDE AND ACCESS CASES.] Caregivers with an employability plan from STRIDE or ACCESS must develop an MFIP-R employability plan. With approval of the MFIP-R staff, the family support agreement for caregivers under this section may include continuation of educational activities, up to a baccalaureate degree, if initiated under STRIDE or ACCESS. Caregivers who continue these activities must also participate in job search or work at least 12 hours per week.

Subd. 16. [REVISIONS TO FAMILY SUPPORT AGREEMENT.] The caregiver may revise the family support agreement with approval of MFIP-R staff.

Subd. 17. [VOLUNTEERS FOR MFIP-R PRE-EMPLOYMENT AND EMPLOYMENT SERVICES.] (a) Upon request, local agencies must continue to offer MFIP-R services to:

(1) caregivers with a signed family support agreement who become exempt under subdivision 2; and

(2) caregivers randomly assigned to MFIP during the conversion period who have an active STRIDE or ACCESS plan.

(b) County agencies must also service the following caregivers, as funding allows:

(1) second parent in a two-parent family; and

(2) caregivers who have not reached the timing for mandatory participation.

(c) Volunteers under paragraph (a) may access all MFIP-R services. Volunteers under paragraph (b), clause (1), may access MFIP-R job search and basic education services only. Volunteers under paragraph (b), clause (2), may access only MFIP-R job search services.

(d) Caregivers identified in this subdivision are voluntary participants for MFIP-R pre-employment and employment services and may not be sanctioned for failure to cooperate unless they reach the timing of MFIP-R pre-employment and employment services under subdivision 6, or are no longer exempt under subdivision 2.

Subd. 18. [CONCILIATION.] The county agency must inform the mandatory parental caregiver of the option of a conciliation conference when the mandatory parental caregiver receives a notice of intent to sanction or cannot reach agreement with MFIP-R staff about the contents or interpretation of the family support agreement.

Conciliation procedures shall be available as provided in section 256.736, subdivision 11, paragraph (c). Upon receiving a notice of intent to sanction, a caregiver may request a hearing under section 256.045 without exercising the option of a conciliation conference.

Subd. 19. [CHILD CARE.] The commissioner shall ensure that each MFIP caregiver who is employed or is developing or is engaged in activities identified in an employability plan under subdivision 7, and who needs assistance with child care costs to be employed or to develop or comply with the terms for an employability plan, receives a child care subsidy through child care money appropriated for the MFIP. The subsidy must cover all actual child care costs for eligible hours up to the maximum rate allowed under section 256H.15. A caregiver who is in the assistance unit and leaves the program as a result of increased earnings from employment, and needs child care assistance to remain employed, is entitled to extended child care assistance as provided under United States Code, title 42, section 602(g)(1)(a)(ii), on a copayment basis.

Subd. 20. [HEALTH CARE.] A family leaving the program as a result of increased earnings from employment is eligible for extended medical assistance as provided under Public Law Number 100-485, section 303, as amended, and Public Law Number 101-239, section 8015(b)(7).

Sec. 5. [256.049] [APPLICABILITY.]

Section 256.035 will not apply to the expansion of MFIP into Ramsey county (MFIP-R). Sections 256.047 to 256.048 will substitute for section 256.035 for the purposes of MFIP-R. Sections 256.031 to 256.034, and 256.036, 256.0361, and 268.871 are applicable to MFIP-R insofar as they are not inconsistent with sections 256.047 to 256.048. Minnesota Rules, part 9500.4220, does not apply to MFIP-R. Minnesota Rules, parts 9500.4000 to 9500.4210, and 9500.4230 to 9500.4340, are applicable to the expansion of MFIP into Ramsey county insofar as they are not inconsistent with sections 256.047 to 256.048.

Sec. 6. Minnesota Statutes 1994, section 256.73, is amended by adding a subdivision to read:

Subd. 3b. [ELIGIBILITY NOT BARRED BY WORKING OVER 99 HOURS; PAST EMPLOYMENT HISTORY; 30-DAY WAITING PERIOD.] An individual receiving assistance may work over 99 hours per month and remain eligible for assistance, provided all other requirements of the aid to families with dependent children-unemployed parent program are met.

The applicant is not required to demonstrate past employment history or 30 days of prior unemployment to be eligible for AFDC-unemployed parent. This subdivision is effective upon federal approval and implementation of the waiver under section 33, subdivision 4.

Sec. 7. Minnesota Statutes 1994, section 256.73, is amended by adding a subdivision to read:

Subd. 5a. [PARENTING OR PREGNANT MINORS; RESTRICTION ON ASSISTANCE WITH FEDERAL EXCEPTIONS.] (a) The definitions in this paragraph only apply to this subdivision.

(1) "Minor parent" means an individual who:

(i) is under the age of 18;

(ii) has never been married or otherwise legally emancipated; and

(iii) is either the natural parent of a dependent child living in the same household or eligible for assistance paid to a pregnant woman under subdivision 5.

(2) "Household of a parent, legal guardian, or other adult relative" means the place of residence of:

(i) a natural or adoptive parent;

(ii) a legal guardian pursuant to appointment or acceptance under section 260.242, 525.615, or 525.6165, and related laws; or

(iii) another individual who is age 18 or over and related to the minor parent as specified in Code of Federal Regulations, title 45, section 233.90(c)(1)(v), provided that the residence is maintained as a home for the minor parent and child under Code of Federal Regulations, title 45, section 233.90(c)(1)(v)(B).

(3) "Adult-supervised supportive living arrangement" means a private family setting which assumes responsibility for the care and control of the minor parent and dependent child, or other living arrangement, not including a public institution, licensed by the commissioner of human services which ensures that the minor parent receives adult supervision and supportive services, such as counseling, guidance, independent living skills training, or supervision in a family-like setting.

(b) A minor parent and the dependent child who is in the care of the minor parent must reside in the household of a parent, legal guardian, or other adult relative, or in an adult-supervised supportive living arrangement in order to receive AFDC unless:

(1) the minor parent has no living parent or legal guardian whose whereabouts is known;

(2) no living parent or legal guardian of the minor parent allows the minor parent to live in the parent's or legal guardian's home;

(3) the minor parent lived apart from the minor parent's own parent or legal guardian for a period of at least one year before either the birth of the dependent child or the minor parent's application for AFDC;

(4) the physical or emotional health or safety of the minor parent or dependent child would be jeopardized if the minor parent and the dependent child resided in the same residence with the minor parent's parent or legal guardian;

(5) the minor parent and dependent child have, on the effective date of this section, been living independently as part of an approved social services plan for less than one year; or

(6) an adult supervised supportive living arrangement is not available for the minor parent and the dependent child in the county in which the minor currently resides. If an adult supervised supportive living arrangement become available within the county, the minor parent and child must reside in that arrangement in order to continue receiving AFDC.

(c) Minor applicants must be informed orally and in writing about the eligibility requirements and their rights and obligations under the AFDC program. The county must advise the minor of the possible exemptions and specifically ask whether one or more of these exemptions is applicable. If the minor alleges one or more of these exemptions, then the county must assist the minor in obtaining the necessary verifications to determine whether or not these exemptions apply.

(d) If a minor parent alleges or the county worker suspects that paragraph (b), clause (4), applies, the county worker must make a referral to child protective services, and child protective services must determine that the home is not safe due to alleged maltreatment or that protective services are needed in order for the minor parent to fall under the exception in paragraph (b), clause (4). A new determination by the county worker is not necessary if one has been made within the last six months, unless there has been a significant change in circumstances which justifies a new referral and determination.

(e) If a minor parent is not living with a parent or legal guardian due to paragraph (b), clause (1), (2), or (4), the minor parent must reside in a living arrangement that meets the standards of paragraph (a), clause (3).

(f) AFDC must be paid in the form of a protective payment on behalf of the minor parent and dependent child to the minor parent's parent, legal guardian, or other adult relative, when the minor parent is living with the minor parent's parent, legal guardian, or other adult relative, in accordance with Code of Federal Regulations, title 45, section 234.60.

Sec. 8. Minnesota Statutes 1994, section 256.73, subdivision 8, is amended to read:

Subd. 8. [RECOVERY OF OVERPAYMENTS.] (a) Except as provided in subdivision 8a, if an amount of aid to families with dependent children assistance is paid to a recipient in excess of the payment due, it shall be recoverable by the county agency. The agency shall give written notice to the recipient of its intention to recover the overpayment.

(b) When an overpayment occurs, the county agency shall recover the overpayment from a current recipient by reducing the amount of aid payable to the assistance unit of which the recipient is a member for one or more monthly assistance payments until the overpayment is repaid. All county agencies in the state shall reduce the assistance payment by three percent of the assistance unit's standard of need or the amount of the monthly payment, whichever is less, for all overpayments whether or not the overpayment is due solely to agency error. If the overpayment is due solely to having wrongfully obtained assistance, whether based on a court order, the finding of an administrative fraud disqualification hearing or a waiver of such a hearing, or a confession of judgment containing an admission of an intentional program violation, the amount of this reduction shall be ten percent. In cases when there is both an overpayment and underpayment, the county agency shall offset one against the other in correcting the payment.

(c) Overpayments may also be voluntarily repaid, in part or in full, by the individual, in addition to the above aid reductions, until the total amount of the overpayment is repaid.

(d) The county agency shall make reasonable efforts to recover overpayments to persons no longer on assistance in accordance with standards adopted in rule by the commissioner of human services. The county agency need not attempt to recover overpayments of less than \$35 paid to an individual no longer on assistance if the individual does not receive assistance again within three years, unless the individual has been convicted of fraud under section 256.98.

Sec. 9. Minnesota Statutes 1994, section 256.73, is amended by adding a subdivision to read:

Subd. 8a. [START WORK OFFSET.] An overpayment resulting from earned income received in the first month of employment is not recoverable by the county agency provided the aid to families with dependent children assistance unit has not voluntarily quit employment, without good cause under section 268.09, subdivision 1, paragraph (a), in the past two years. A "start work offset" for purposes of this subdivision is the amount of the overpayment the assistance unit would otherwise be required to repay to the county under subdivision 8. This subdivision is effective upon federal approval and implementation of the waiver under section 33, subdivision 3.

Sec. 10. [256.7355] [TEMPORARY PUBLIC SERVICE OR COMMUNITY SERVICE JOBS.]

A participant working in a temporary public service or community service job for a public employer for more than 67 working days in a calendar year as part of a work program established under this chapter is a public employee under chapter 179A.

Sec. 11. Minnesota Statutes 1994, section 256.736, subdivision 3, is amended to read:

Subd. 3. [REGISTRATION.] (a) To the extent permissible under federal law, every caretaker or child is required to register for employment and training services, as a condition of receiving AFDC, unless the caretaker or child is:

(1) a child who is under age 16, a child age 16 or 17 who is attending elementary or secondary school or a secondary level vocational or technical school full time;

(2) ill, incapacitated, or age 60 or older;

(3) a person for whom participation in an employment and training service would require a round trip commuting time by available transportation of more than two hours;

(4) a person whose presence in the home is required because of illness or incapacity of another member of the household;

(5) a caretaker or other caretaker relative of a child under the age of three who personally provides full-time care for the child. In AFDC-UP cases, only one parent or other relative may qualify for this exemption;

(6) a caretaker or other caretaker relative personally providing care for a child under six years of age, except that when child care is arranged for or provided, the caretaker or caretaker relative may be required to register and participate in employment and training services up to a maximum of 20 hours per week. In AFDC-UP cases, only one parent or other relative may qualify for this exemption;

(7) a pregnant woman, if it has been medically verified that the child is expected to be born within the next six months; ~~or~~

(8) employed at least 30 hours per week; or

(9) a person for whom lack of proficiency in English is a barrier to employment, provided the person is attending an available intensive program which lasts no longer than six months and is designed to remedy the language deficiency. Individuals who, because of advanced age and lack of ability, are incapable of gaining proficiency in English, as determined by the county social worker, shall continue to be exempt under this subdivision and are not subject to the requirement that they be participating in a language program.

(b) To the extent permissible by federal law, applicants for benefits under the AFDC program are registered for employment and training services by signing the application form. Applicants must be informed that they are registering for employment and training services by signing the form. Persons receiving benefits on or after July 1, 1987, shall register for employment and training services to the extent permissible by federal law. The caretaker has a right to a fair hearing under section 256.045 with respect to the appropriateness of the registration.

Sec. 12. Minnesota Statutes 1994, section 256.736, subdivision 3a, is amended to read:

Subd. 3a. [PARTICIPATION.] (a) Except as provided under paragraphs (b) and (c), participation in employment and training services under this section is limited to the following recipients:

(1) caretakers who are required to participate in a job search under subdivision 14;

(2) custodial parents who are subject to the school attendance or case management participation requirements under subdivision 3b;

(3) caretakers whose participation in employment and training services began prior to May 1, 1990, if the caretaker's AFDC eligibility has not been interrupted for 30 days or more and the caretaker's employability development plan has not been completed;

(4) recipients who are members of a family in which the youngest child is within two years of being ineligible for AFDC due to age;

(5) custodial parents under the age of 24 who: (i) have not completed a high school education and who, at the time of application for AFDC, were not enrolled in high school or in a high school equivalency program; or (ii) have had little or no work experience in the preceding year;

(6) recipients who have received AFDC for 36 or more months out of the last 60 months;

(7) recipients who are participants in the self-employment investment demonstration project under section 268.95; and

(8) recipients who participate in the new chance research and demonstration project under contract with the department of human services.

(b) If the commissioner determines that participation of persons listed in paragraph (a) in employment and training services is insufficient either to meet federal performance targets or to fully utilize funds appropriated under this section, the commissioner may, after notifying the chairs of the senate family services committee, the house health and human services committee, the family services division of the senate family services and health care committees, and the human services division of the house health and human services committee, permit additional groups of recipients to participate until the next meeting of the legislative advisory commission, after which the additional groups may continue to enroll for participation unless the legislative advisory commission disapproves the continued enrollment. The commissioner shall allow participation of additional groups in the following order only as needed to meet performance targets or fully utilize funding for employment and training services under this section:

(1) recipients who have received 24 or more months of AFDC out of the previous 48 months; and

(2) recipients who have not completed a high school education or a high school equivalency program.

(c) To the extent of money appropriated specifically for this paragraph, the commissioner may permit AFDC caretakers who are not eligible for participation in employment and training services under the provisions of paragraph (a) or (b) to participate. Money must be allocated to county agencies based on the county's percentage of participants statewide in services under this section in the prior calendar year. Caretakers must be selected on a first-come, first-served basis from a waiting list of caretakers who volunteer to participate. The commissioner may, on a quarterly basis, reallocate unused allocations to county agencies that have sufficient volunteers. If funding under this paragraph is discontinued in future fiscal years, caretakers who began participating under this paragraph must be deemed eligible under paragraph (a), clause (3).

(d) Participants who are eligible to enroll in the STRIDE program under one of the categories of this subdivision are required to cooperate with the assessment and employability plan development, and to meet the terms of their employability plan. Failure to comply, without good cause, shall result in the imposition of sanctions as specified in subdivision 4, clause (6).

Sec. 13. Minnesota Statutes 1994, section 256.736, subdivision 4a, is amended to read:

Subd. 4a. [NOTICE, CONCILIATION, AND RIGHT OF APPEAL.] If the employment and training service provider determines that the caretaker has failed or refused, without good cause, to cooperate or accept employment, the employment and training service provider shall issue to the caretaker a written notice of its determination of noncooperation or refusal to accept employment. The notice must include a detailed explanation of the reason for the determination and must specify the consequences for failure or refusal to cooperate or accept employment, the actions which the employment and training service provider believes are necessary for the caretaker to comply with the employment and training program, and the right to request, within ten days of receipt of the date the notice was mailed or hand delivered, a conciliation conference. The employment and training service provider or the county agency must conduct a conciliation conference within five days of a timely request. If the dispute between the employment and training service provider and the caretaker is not resolved in the conciliation conference or a

request for a conciliation conference is not made within the required time, ~~then~~ the employment and training service provider shall notify the county board of a caretaker's failure without good cause to cooperate or accept employment. Unless the county agency has evidence to the contrary, the county agency shall implement the sanction provisions of subdivision 4. Any determination, action, or inaction on the part of the county board relating to a caretaker's participation under section 256.736 is subject to the notice and hearing procedures in section 256.045, and Code of Federal Regulations, title 45, section 205.10.

Sec. 14. Minnesota Statutes 1994, section 256.736, subdivision 5, is amended to read:

Subd. 5. [EXTENSION OF EMPLOYMENT AND TRAINING OPPORTUNITIES.] The commissioner of human services shall cooperate with the commissioner of economic security and the commissioner of trade and economic development to extend the availability of training and employment opportunities on a statewide basis and to assist local employment advisory groups convened under this subdivision. The county welfare agency may convene an employment advisory group which may consist of representatives from the local chamber of commerce, from major area employers, from private and public collective bargaining units, from secondary and post-secondary educational institutions in the community, and from job services offices operated by the commissioner of economic security under chapter 268. The county welfare agency shall work with the local employment advisory group to maximize the job opportunities for welfare clients. In a county where a private industry council has been established, the county welfare agency may work with the council to maximize job opportunities in lieu of or in addition to convening an employment advisory group.

Sec. 15. Minnesota Statutes 1994, section 256.736, subdivision 10, is amended to read:

Subd. 10. [COUNTY DUTIES.] (a) To the extent of available state appropriations, county boards shall:

(1) refer all mandatory and eligible volunteer caretakers permitted to participate under subdivision 3a to an employment and training service provider for participation in employment and training services;

(2) identify to the employment and training service provider the target group of which the referred caretaker is a member;

(3) provide all caretakers with an orientation which meets the requirements in subdivisions 10a and 10b;

(4) work with the employment and training service provider to encourage voluntary participation by caretakers in the target groups;

(5) work with the employment and training service provider to collect data as required by the commissioner;

(6) to the extent permissible under federal law, require all caretakers coming into the AFDC program to attend orientation;

(7) encourage nontarget caretakers to develop a plan to obtain self-sufficiency;

(8) notify the commissioner of the caretakers required to participate in employment and training services;

(9) inform appropriate caretakers of opportunities available through the head start program and encourage caretakers to have their children screened for enrollment in the program where appropriate;

(10) provide transportation assistance using available funds to caretakers who participate in employment and training programs;

(11) ensure that orientation, job search, services to custodial parents under the age of 20, educational activities and work experience for AFDC-UP families, and case management services are made available to appropriate caretakers under this section, except that payment for case management services is governed by subdivision 13;

(12) explain in its local service unit plan under section 268.88 how it will ensure that target caretakers determined to be in need of social services are provided with such social services. The plan must specify how the case manager and the county social service workers will ensure delivery of needed services;

(13) to the extent allowed by federal laws and regulations, provide a job search program as defined in subdivision 14, a community work experience program as defined in section 256.737, grant diversion as defined in section 256.739, and on-the-job training as defined in section 256.738. A county may also provide another work and training program approved by the commissioner and the secretary of the United States Department of Health and Human Services. Planning and approval for employment and training services listed in this clause must be obtained through submission of the local service unit plan as specified under section 268.88. A county is not required to provide a community work experience program if the county agency is successful in placing at least 40 percent of the monthly average of all caretakers who are subject to the job search requirements of subdivision 14 in grant diversion or on-the-job training program;

(14) prior to participation, provide an assessment of each AFDC recipient who is required or volunteers to participate in an approved employment and training service. The assessment must include an evaluation of the participant's (i) educational, child care, and other supportive service needs; (ii) skills and prior work experience; and (iii) ability to secure and retain a job which, when wages are added to child support, will support the participant's family. The assessment must also include a review of the results of the early and periodic screening, diagnosis and treatment (EPSDT) screening and preschool screening under chapter 123, if available; the participant's family circumstances; and, in the case of a custodial parent under the age of 18, a review of the effect of a child's development and educational needs on the parent's ability to participate in the program;

(15) develop an employability development plan for each recipient for whom an assessment is required under clause (14) which: (i) reflects the assessment required by clause (14); (ii) takes into consideration the recipient's physical capacity, skills, experience, health and safety, family responsibilities, place of residence, proficiency, child care and other supportive service needs; (iii) is based on available resources and local employment opportunities; (iv) specifies the services to be provided by the employment and training service provider; (v) specifies the activities the recipient will participate in, including the worksite to which the caretaker will be assigned, if the caretaker is subject to the requirements of section 256.737, subdivision 2; (vi) specifies necessary supportive services such as child care; (vii) to the extent possible, reflects the preferences of the participant; and (viii) includes a written agreement between the county agency and the caretaker that outlines a reasonable schedule for completing the plan, including specific completion deadlines, and confirms that (A) there is a market for full-time employees with this education or training where the caretaker will or is willing to reside upon completion of the program; (B) the average wage level for employees with this education or training is greater than the caretaker can earn without this education or training; (C) the caretaker has the academic ability to successfully complete the program; and (D) there is a reasonable expectation that the caretaker will complete the training program based on such factors as the caretaker's previous education, training, work history, current motivation, and changes in previous circumstances; and (ix) specifies the recipient's long-term employment goal which shall lead to self-sufficiency;

(16) provide written notification to and obtain the written or oral concurrence of the appropriate exclusive bargaining representatives with respect to job duties covered under collective bargaining agreements to and assure that no work assignment under this section or sections 256.737, 256.738, and 256.739, or the Minnesota parents' fair share mandatory community work experience program results in: (i) termination, layoff, or reduction of the work hours of an employee for the purpose of hiring an individual under this section or sections 256.737, 256.738, and 256.739; (ii) the hiring of an individual if any other person is on layoff from the same or a substantially equivalent job; (iii) any infringement of the promotional opportunities of any currently employed individual; (iv) the impairment of existing contracts for services or collective bargaining agreements; or (v) except for on-the-job training under section 256.738, a participant filling an established unfilled position vacancy. If an exclusive bargaining representative and a county or public service employer disagree regarding whether job duties are covered under a collective bargaining agreement, the exclusive bargaining representative or the county or public service employer may petition the bureau of mediation services, and the bureau shall determine if the job duties are covered by a collective bargaining agreement; and

(17) assess each caretaker in an AFDC-UP family who is under age 25, has not completed high school or a high school equivalency program, and who would otherwise be required to participate in a work experience placement under section 256.737 to determine if an appropriate secondary education option is available for the caretaker. If an appropriate secondary education option is determined to be available for the caretaker, the caretaker must, in lieu of participating in work experience, enroll in and meet the educational program's participation and attendance requirements. "Secondary education" for this paragraph means high school education or education designed to prepare a person to qualify for a high school equivalency certificate, basic and remedial education, and English as a second language education. A caretaker required to participate in secondary education who, without good cause, fails to participate shall be subject to the provisions of subdivision 4a and the sanction provisions of subdivision 4, clause (6). For purposes of this clause, "good cause" means the inability to obtain licensed or legal nonlicensed child care services needed to enable the caretaker to attend, inability to obtain transportation needed to attend, illness or incapacity of the caretaker or another member of the household which requires the caretaker to be present in the home, or being employed for more than 30 hours per week.

(b) Funds available under this subdivision may not be used to assist, promote, or deter union organizing.

(c) A county board may provide other employment and training services that it considers necessary to help caretakers obtain self-sufficiency.

(d) Notwithstanding section 256G.07, when a target caretaker relocates to another county to implement the provisions of the caretaker's case management contract or other written employability development plan approved by the county human service agency, its case manager or employment and training service provider, the county that approved the plan is responsible for the costs of case management and other services required to carry out the plan, including employment and training services. The county agency's responsibility for the costs ends when all plan obligations have been met, when the caretaker loses AFDC eligibility for at least 30 days, or when approval of the plan is withdrawn for a reason stated in the plan, whichever occurs first. Responsibility for the costs of child care must be determined under chapter 256H. A county human service agency may pay for the costs of case management, child care, and other services required in an approved employability development plan when the nontarget caretaker relocates to another county or when a target caretaker again becomes eligible for AFDC after having been ineligible for at least 30 days.

Sec. 16. Minnesota Statutes 1994, section 256.736, is amended by adding a subdivision to read:

Subd. 14a. [JOB SEARCH FOR AFDC RECIPIENTS.] (a) Each county may establish and operate a job search program as provided under this subdivision. Unless exempt, a caretaker who has received AFDC for at least 36 months or more out of the last 60 months must be referred to and begin participation in the job search program under this subdivision, but is not required to participate in the following programs under subdivision 14, paragraph (d): the work experience program under section 256.737, the on-the-job training program under section 256.738, or the grant diversion program under section 256.739.

The caretaker is exempt from job search participation if:

(1) the caretaker is exempt from registration under subdivision 3; or

(2) the caretaker is under age 25, has not completed a high school diploma or an equivalent program, and is participating in a secondary education program as defined in subdivision 10, paragraph (a), clause (17), which is approved by the employment and training service provider in the employability development plan.

(b) The commissioners of human services and economic security shall develop a job search program which must include a maximum of 32 hours of training for participants in how to search for employment, develop a personal resume, use job banks and other employer identification methods, learn and practice effective interviewing skills, become familiar with appropriate work behaviors, find specific job openings, and apply for the openings. The employment and training service provider shall report to the county agency if the caretaker fails to cooperate with the job search requirement.

Sec. 17. Minnesota Statutes 1994, section 256.736, subdivision 16, is amended to read:

Subd. 16. [ALLOCATION AND USE OF MONEY.] (a) State money appropriated for employment and training services under this section must be allocated to counties as specified in paragraphs (b) to ~~(j)~~ (l).

(b) For purposes of this subdivision, "targeted caretaker" means a recipient who:

(1) is a custodial parent under the age of 24 who: (i) has not completed a high school education and at the time of application for AFDC is not enrolled in high school or in a high school equivalency program; or (ii) had little or no work experience in the preceding year;

(2) is a member of a family in which the youngest child is within two years of being ineligible for AFDC due to age; or

(3) has received 36 months or more of AFDC over the last 60 months.

(c) One hundred percent of the money appropriated for case management services as described in subdivision 11 must be allocated to counties based on the average number of cases in each county described in clause (1). Money appropriated for employment and training services as described in subdivision 1a, paragraph (d), other than case management services, must be allocated to counties as follows:

(1) Forty percent of the state money must be allocated based on the average number of cases receiving AFDC in the county which either have been open for 36 or more consecutive months or have a caretaker who is under age 24 and who has no high school or general equivalency diploma. The average number of cases must be based on counts of these cases as of March 31, June 30, September 30, and December 31 of the previous year.

(2) Twenty percent of the state money must be allocated based on the average number of cases receiving AFDC in the county which are not counted under clause (1). The average number of cases must be based on counts of cases as of March 31, June 30, September 30, and December 31 of the previous year.

(3) Twenty-five percent of the state money must be allocated based on the average monthly number of assistance units in the county receiving AFDC-UP for the period ending December 31 of the previous year.

(4) Fifteen percent of the state money must be allocated at the discretion of the commissioner based on participation levels for target group members in each county.

(d) No more than 15 percent of the money allocated under paragraph (b) and no more than 15 percent of the money allocated under paragraph (c) may be used for administrative activities.

(e) At least 55 percent of the money allocated to counties under paragraph (c) must be used for employment and training services for caretakers in the target groups, and up to 45 percent of the money may be used for employment and training services for nontarget caretakers. One hundred percent of the money allocated to counties for case management services must be used to provide those services to caretakers in the target groups.

(f) Money appropriated to cover the nonfederal share of costs for bilingual case management services to refugees for the employment and training programs under this section are allocated to counties based on each county's proportion of the total statewide number of AFDC refugee cases. However, counties with less than one percent of the statewide number of AFDC refugee cases do not receive an allocation.

(g) Counties, the department of economic security, and entities under contract with either the department of economic security or the department of human services for provision of ~~Project~~ STRIDE related services shall bill the commissioner of human services for any expenditures incurred by the county, the county's employment and training service provider, or the department of economic security that may be reimbursed by federal money. The commissioner of human services shall bill the United States Department of Health and Human Services and the United States Department of Agriculture for the reimbursement and appropriate the reimbursed money to

the county, the department of economic security, or employment and training service provider that submitted the original bill. The reimbursed money must be used to expand employment and training services.

(h) The commissioner of human services shall review county expenditures of case management and employment and training block grant money at the end of the third quarter of the biennium and each quarter after that, and may reallocate unencumbered or unexpended money allocated under this section to those counties that can demonstrate a need for additional money. Reallocation of funds must be based on the formula set forth in paragraph (a), excluding the counties that have not demonstrated a need for additional funds.

(i) The county agency may continue to provide case management and supportive services to a participant for up to 90 days after the participant loses AFDC eligibility and may continue providing a specific employment and training service for the duration of that service to a participant if funds for the service are obligated or expended prior to the participant losing AFDC eligibility.

(j) One hundred percent of the money appropriated for an unemployed parent work experience program under section 256.737 must be allocated to counties based on the average monthly number of assistance units in the county receiving AFDC-UP for the period ending December 31 of the previous year.

(k) The commissioner may waive the requirement of paragraph (e) that case management funds be spent only on case management services in order to permit the development of a unified STRIDE funding allocation for each county agency. The unified allocation may be expended by the county agency for case management and employment and training activities in the proportion determined necessary to streamline administrative procedures and enhance program performance. The commissioner, in consultation with the commissioner of economic security, may also grant a waiver from program spending limits in paragraphs (d) and (e) to any county which can demonstrate increased program effectiveness through a written request to the department. Counties which request a waiver of the spending limits in paragraphs (d) and (e) shall amend their local service unit plans and receive approval of the plans prior to commencing the waiver. The commissioners of human services and economic security shall annually evaluate the effectiveness of all waivers approved under this subdivision.

(l) Effective July 1, 1995, the commissioner of human services shall begin developing a performance model for the purpose of analyzing each county's performance in the provision of STRIDE employment and training services. Beginning February 1, 1997, and each year thereafter, the commissioner of human services shall inform each county of the county's performance based upon the following measures:

(1) employment rate at termination of STRIDE eligibility;

(2) wage rate at termination of STRIDE eligibility;

(3) average annual cost per placement calculated by dividing the total STRIDE expenditures by the number of participants placed in unsubsidized employment;

(4) AFDC-UP participation rate;

(5) percentage of 18- and 19-year-old custodial parents subject to secondary education requirements of subdivision 3b who complete secondary education or equivalent course of study; and

(6) achievement of federally mandated JOBS participation rate.

Performance measures (1), (2), and (3) shall be adjusted to reflect local conditions.

County agencies must take the results of these performance measures into consideration when selecting employment and training service providers.

Sec. 18. Minnesota Statutes 1994, section 256.736, is amended by adding a subdivision to read:

Subd. 20. [SPECIAL PROVISIONS FOR PERSONS PARTICIPATING IN EDUCATIONAL PROGRAMS.] The provisions of this subdivision are applicable to all STRIDE participants, including those subject to subdivision 3b and section 256.737.

(a) When a high school equivalency program is selected as the appropriate educational option for any recipient eligible to participate under subdivision 3a, the recipient must participate in high school equivalency classroom instruction for at least six hours per week, meet the attendance and satisfactory progress requirements as defined by the employment and training service provider in consultation with the provider of the high school equivalency program, and concurrently work a monthly average of not less than 64 hours in employment paying at least minimum wage or in documented volunteer work. Hours spent assisting at a licensed day care center shall count toward the weekly hours needed to fulfill the employment or volunteer requirement. "Volunteer work" shall include attendance at parenting skill classes. Failure to comply, without good cause, with this requirement shall result in the imposition of sanctions as specified in subdivision 4, clause (6).

(b) Concurrent with participation in post-secondary education or training approved in an employability development plan under subdivision 10, paragraph (a), clause (15), the participant must work at a minimum the number of hours per month prescribed by this subdivision in employment paying at least minimum wage or in documented volunteer work for a public or nonprofit agency and agree to search for and accept any offer of suitable employment upon completion of the education or training. For individuals who are participating in an educational program under this paragraph on a full-time basis as determined by the institution, there is no work requirement. For individuals participating in an educational program on a part-time basis as determined by the institution, the minimum number of hours that a participant must work shall be increased in proportion to the number of credit hours being taken, up to a maximum of eight hours weekly of work.

During vacation periods of one month or more, the 16-hour per week minimum work requirement shall apply. Persons who are subject to this vacation work requirement shall retain STRIDE eligibility if they comply with the terms of their employability development plan. If the required employment results in temporary AFDC ineligibility due to increased earnings and the person becomes eligible again for AFDC at the end of the vacation period, STRIDE eligibility shall be reinstated. Hours spent assisting at a licensed day care center shall count towards the weekly hours needed to fulfill the employment or volunteer requirement. "Volunteer work" shall include attendance at parenting skill classes. Failure to work the required number of hours per month, to search for employment, or to accept a suitable offer of employment after completing education or training will result in the imposition of sanctions as specified in subdivision 4, clause (6).

Sec. 19. Minnesota Statutes 1994, section 256.737, subdivision 4, is amended to read:

Subd. 4. [GOOD CAUSE.] A caretaker shall have good cause for failure to cooperate if:

(1) the worksite participation adversely affects the caretaker's physical or mental health as verified by a physician, licensed or certified psychologist, physical therapist, vocational expert, or by other sound medical evidence; or

(2) the caretaker does not possess the skill or knowledge required for the work; or

(3) the caretaker's lack of proficiency in English is a barrier to employment, provided the caretaker is participating in an available intensive program which lasts no longer than six months and is designed to remedy the language deficiency. Individuals who, because of advanced age and lack of ability, are incapable of gaining proficiency in English, as determined by the county social worker, shall continue to be exempt under this subdivision and are not subject to the requirement that they be participating in a language program.

Sec. 20. Minnesota Statutes 1994, section 256.737, is amended by adding a subdivision to read:

Subd. 7. [INJURY PROTECTION FOR WORK EXPERIENCE PARTICIPANTS.] (a) Payment of any claims resulting from an alleged injury or death of a recipient participating in a community work experience program established and operated by a county pursuant to this section shall be determined in accordance with paragraph (b). This determination method applies to work

experience programs established under aid to families with dependent children, work readiness, Minnesota parents' fair share, and to obligors participating in community services pursuant to section 518.551 in a county with an approved community investment program.

(b) Claims of \$1,000 or less that are subject to this section shall be investigated by the county agency responsible for supervising the work to determine if the claim is valid and if the loss is covered by the claimant's insurance.

The investigating county agency shall submit all valid claims to the department of human services. The department shall pay the portion of an approved claim that is not covered by the claimant's insurance within three months of the date of submission. On or before February 1 of each legislative session, the department shall submit to the appropriate committees of the senate and the house of representatives a list of claims paid during the preceding calendar year and shall be reimbursed by legislative appropriation for any claims that exceed the original appropriation provided to the department to operate this program. Any unspent money from this appropriation shall carry over to the second year of the biennium, and any unspent money remaining at the end of the second year shall be returned to the state general fund.

A claim in excess of \$1,000 and a claim that was not paid by the department may be presented to, heard, and determined by the appropriate committees of the senate and house of representatives and, if approved, shall be paid under the legislative claims procedure.

(c) Claims for permanent total disability, permanent partial disability, and death claims shall be referred to the commissioner of labor and industry for assessment. The commissioner of labor and industry shall verify the validity of the claim and recommend compensation. The compensation recommended must afford the same protection for on-site injuries at the same level and to the same extent as provided in chapter 176.

(d) Compensation paid under this section is limited to reimbursement for medical expenses and compensation for disability as impairment compensation or death. No compensation shall be paid under this section for pain and suffering or lost wages. Payments made under this section shall be reduced by any proceeds received by the claimant from any insurance policy covering the loss. For the purposes of this section, "insurance policy" does not include the medical assistance program authorized under chapter 256B or the general assistance medical care program authorized under chapter 256D.

(e) The procedure established by this section is exclusive of all other legal, equitable, and statutory remedies against the state, its political subdivisions, or employees of the state or its political subdivisions. The claimant shall not be entitled to seek damages from any state or county insurance policy or self-insurance program.

(f) A claim is not valid for purposes of this subdivision if the local agency responsible for supervising the work cannot verify:

(1) that appropriate safety training and information is provided to all persons being supervised by the agency under this subdivision; and

(2) that all programs involving work by those persons comply with federal Occupational Safety and Health Administration and state department of labor and industry safety standards. A claim that is not valid because of failure to verify safety training or compliance with safety standards will not be paid by the department of human services or through the legislative claims process and must be heard, decided, and paid, if appropriate, by the local government unit responsible for supervising the work of the claimant.

(g) This program is effective July 1, 1995. Claims may be submitted on or after November 1, 1995.

Sec. 21. Minnesota Statutes 1994, section 256.81, is amended to read:

256.81 [COUNTY AGENCY, DUTIES.]

(1) The county agency shall keep such records, accounts, and statistics in relation to aid to families with dependent children as the state agency shall prescribe.

(2) Each grant of aid to families with dependent children shall be paid to the recipient by the county agency unless paid by the state agency. Payment must be by check or electronic means except in those instances in which the county agency, subject to the rules of the state agency, determines that payments for care shall be made to an individual other than the parent or relative with whom the dependent child is living or to vendors of goods and services for the benefit of the child because such parent or relative is unable to properly manage the funds in the best interests and welfare of the child. There is a presumption of mismanagement of funds whenever a recipient is more than 30 days in arrears on payment of rent, except when the recipient has withheld rent to enforce the recipient's right to withhold the rent in accordance with federal, state, or local housing laws. In cases of mismanagement based solely on failure to pay rent, the county may vendor the rent payments to the landlord. At the request of a recipient, the state or county may make payments directly to vendors of goods and services, but only for goods and services appropriate to maintain the health and safety of the child, as determined by the county.

(3) The state or county may ask the recipient to give written consent authorizing the state or county to provide advance notice to a vendor before vendor payments of rent are reduced or terminated. Whenever possible under state and federal laws and regulations and if the recipient consents, the state or county shall provide at least 30 days notice to vendors before vendor payments of rent are reduced or terminated. If 30 days notice cannot be given, the state or county shall notify the vendor within three working days after the date the state or county becomes aware that vendor payments of rent will be reduced or terminated. When the county notifies a vendor that vendor payments of rent will be reduced or terminated, the county shall include in the notice that it is illegal to discriminate on the grounds that a person is receiving public assistance and the penalties for violation. The county shall also notify the recipient that it is illegal to discriminate on the grounds that a person is receiving public assistance and the procedures for filing a complaint. The county agency may develop procedures, including using the MAXIS system, to implement vendor notice and may charge vendors a fee not exceeding \$5 to cover notification costs.

(4) A vendor payment arrangement is not a guarantee that a vendor will be paid by the state or county for rent, goods, or services furnished to a recipient, and the state and county are not liable for any damages claimed by a vendor due to failure of the state or county to pay or to notify the vendor on behalf of a recipient, except under a specific written agreement between the state or county and the vendor or when the state or county has provided a voucher guaranteeing payment under certain conditions.

(5) The county shall be paid from state and federal funds available therefor the amount provided for in section 256.82.

(6) Federal funds available for administrative purposes shall be distributed between the state and the counties in the same proportion that expenditures were made except as provided for in section 256.017.

(7) The affected county may require that assistance paid under the AFDC emergency assistance program in the form of a rental unit damage deposit, less any amount retained by the landlord to pay for property damage, be returned to the county when the assistance unit vacates the premises or paid to the recipient's new landlord as a vendor payment. The vendor payment of returned funds shall not be considered a new use of emergency assistance.

Sec. 22. Minnesota Statutes 1994, section 256.979, is amended by adding a subdivision to read:

Subd. 9. [ACCRUAL OF SUPPORT OBLIGATIONS.] The commissioner shall seek a waiver from the secretary of the Department of Health and Human Services to enable the agency to accrue child support payments received on behalf of both AFDC and non-AFDC clients until the sum total of the money owed by the state agency to the client is at least \$10. Obligor shall be assessed a processing fee of \$10 to be retained by the county agency in every instance when both of the following conditions exist:

(1) the obligor pays less than the required monthly support obligation; and

(2) that reduced payment would result in a child support payment to an AFDC or non-AFDC client of less than \$10 for that month.

Sec. 23. Minnesota Statutes 1994, section 256.983, subdivision 1, is amended to read:

Subdivision 1. [PROGRAMS ESTABLISHED.] Within the limits of available appropriations, and to the extent required or authorized by applicable federal regulations, the commissioner of human services shall require the establishment of fraud prevention investigation programs in the seven counties participating in the fraud prevention investigation pilot project established under section 256.983, and in 11 additional Minnesota counties with the largest aid to families with dependent children program caseloads as of July 1, 1991. If funds are sufficient, the commissioner may also extend fraud prevention investigation programs to: (1) other counties that have welfare fraud control programs already in place based on enhanced funding contracts covering the fraud investigation function; and (2) counties that have the largest AFDC caseloads as of July 1, 1994, and are not currently participating in the fraud prevention investigation pilot project. The pilot project may be expanded provided the expansion is budget neutral to the state.

Sec. 24. [256.986] [COUNTY COORDINATION OF FRAUD CONTROL ACTIVITIES.]

(a) The county agency shall prepare and submit to the commissioner of human services by January 1 of each year a plan to coordinate county duties related to the prevention, investigation, and prosecution of fraud in public assistance programs. Plans may be submitted on a voluntary basis prior to January 1, 1996. Each county must submit its first annual plan prior to January 1, 1997.

(b) Within the limits of appropriations specifically made available for this purpose, the commissioner may make grants to counties submitting plans under paragraph (a) to implement coordination activities.

Sec. 25. Minnesota Statutes 1994, section 256D.05, subdivision 6, is amended to read:

Subd. 6. [ASSISTANCE FOR PERSONS WITHOUT A VERIFIED RESIDENCE.] (a) For applicants or recipients of general assistance, emergency general assistance, or work readiness assistance who do not have a verified residence address, the county agency may provide assistance using one or more of the following methods:

(1) the county agency may provide assistance in the form of vouchers or vendor payments and provide separate vouchers or vendor payments for food, shelter, and other needs;

(2) the county agency may divide the monthly assistance standard into weekly payments, whether in cash or by voucher or vendor payment. Nothing in this clause prevents the county agency from issuing voucher or vendor payments for emergency general assistance in an amount less than the standards of assistance; and

(3) the county agency may determine eligibility and provide assistance on a weekly basis. Weekly assistance can be issued in cash or by voucher or vendor payment and can be determined either on the basis of actual need or by prorating the monthly assistance standard.

(b) An individual may verify a residence address by providing a driver's license; a state identification card; a statement by the landlord, apartment manager, or homeowner verifying that the individual is residing at the address; or other written documentation approved by the commissioner.

(c) Notwithstanding the provisions of section 256D.06, subdivision 1, if the county agency elects to provide assistance on a weekly payment basis, the agency may not provide assistance for a period during which no need is claimed by the individual unless the individual has good cause for failing to claim need. The individual must be notified, each time weekly assistance is provided, that subsequent weekly assistance will not be issued unless the individual claims need. The advance notice required under section 256D.10 does not apply to weekly assistance that is withheld because the individual failed to claim need without good cause.

(d) The county agency may not issue assistance on a weekly basis to an applicant or recipient who has professionally certified mental illness or mental retardation or a related condition, or to an assistance unit that includes minor children, unless requested by the assistance unit.

(e) For the purposes of paragraph (a), clauses (2) and (3), the county agency may divide the

monthly assistance standard as follows: \$25 the first week, \$50 each of the second and third weeks, and the remainder the fourth week.

Sec. 26. Minnesota Statutes 1994, section 256D.051, subdivision 1, is amended to read:

Subdivision 1. [WORK REGISTRATION.] (a) Except as provided in this subdivision, persons who are residents of the state and whose income and resources are less than the standard of assistance established by the commissioner, but who are not categorically eligible under section 256D.05, subdivision 1, are eligible for the work readiness program for a maximum period of ~~six~~ one calendar month during any 12 consecutive calendar month period, subject to the provisions of paragraph (d), subdivision 3, and section 256D.052, subdivision 4. The person's eligibility period begins on the first day of the calendar month following the date of application for assistance or following the date all eligibility factors are met, whichever is later; however, the person may voluntarily continue to participate in work readiness services for up to three additional consecutive months immediately following the last month of benefits to complete the provisions of the person's employability development plan. After July 1, 1992, if orientation is available within three weeks after the date eligibility is determined, initial payment will not be made until the registrant attends orientation to the work readiness program. Prior to terminating work readiness assistance the county agency must provide advice on the person's eligibility for general assistance medical care and must assess the person's eligibility for general assistance under section 256D.05 to the extent possible, using information in the case file, and determine the person's eligibility for general assistance. A determination that the person is not eligible for general assistance must be stated in the notice of termination of work readiness benefits.

(b) Persons, families, and married couples who are not state residents but who are otherwise eligible for work readiness assistance may receive emergency assistance to meet emergency needs.

(c) Except for family members who must participate in work readiness services under the provisions of section 256D.05, subdivision 1, clause (15), any person who would be defined for purposes of the food stamp program as being enrolled or participating at least half-time in an institution of higher education or a post-secondary program is ineligible for the work readiness program. Post-secondary education does not include the following programs: (1) high school equivalency; (2) adult basic education; (3) English as a second language; (4) literacy training; and (5) skill-specific technical training that has a course of study of less than three months, that is not paid for using work readiness funds, and that is specified in the work readiness employability development plan developed with the recipient prior to the recipient beginning the training course.

(d) Notwithstanding the provisions of sections 256.045 and 256D.10, during the pendency of an appeal, work readiness payments and services shall not continue to a person who appeals the termination of benefits due to exhaustion of the period of eligibility specified in paragraph (a) or (d).

Sec. 27. [256D.0511] [LUMP-SUM PAYMENTS.]

A person who is temporarily ineligible for AFDC due to a lump-sum payment is also ineligible for general assistance and work readiness benefits for the same duration unless the person demonstrates that the lump-sum payment was used for basic needs, which includes education, training and work expenses necessary to become economically self-sufficient, and medical expenses.

Sec. 28. Minnesota Statutes 1994, section 256D.09, is amended by adding a subdivision to read:

Subd. 5. [VENDOR PAYMENTS TO LANDLORDS.] The affected county may require that assistance paid under the emergency general assistance program in the form of a rental unit damage deposit, less any amount retained by the landlord to pay for property damage, be returned to the county when the recipient vacates the premises or paid to the recipient's new landlord as a vendor payment. The vendor payment of returned funds shall not be considered a new use of emergency assistance.

Sec. 29. Minnesota Statutes 1994, section 256D.09, is amended by adding a subdivision to read:

Subd. 6. [RECOVERY OF OVERPAYMENTS.] (a) If an amount of general assistance, family general assistance, or work readiness assistance is paid to a recipient in excess of the payment due, it shall be recoverable by the county agency. The agency shall give written notice to the recipient of its intention to recover the overpayment.

(b) When an overpayment occurs, the county agency shall recover the overpayment from a current recipient by reducing the amount of aid payable to the assistance unit of which the recipient is a member, for one or more monthly assistance payments, until the overpayment is repaid. All county agencies in the state shall reduce the assistance payment by three percent of the assistance unit's standard of need or the amount of the monthly payment, whichever is less, for all overpayments whether or not the overpayment is due solely to agency error. The amount of this reduction is ten percent if the overpayment is due solely to having wrongfully obtained assistance whether based on:

(1) a court order;

(2) the finding of an administrative fraud disqualification hearing or the waiver of such a hearing; or

(3) a confession of judgment containing an admission of an intentional program violation.

In cases when there is both an overpayment and underpayment, the county agency shall offset one against the other in correcting the payment.

(c) Overpayments may also be voluntarily repaid, in part or in full, by the individual, in addition to the aid reductions provided in this subdivision, until the total amount of the overpayment is repaid.

(d) The county agency shall make reasonable efforts to recover overpayments to persons no longer on assistance under standards adopted in rule by the commissioner. The county agency need not attempt to recover overpayments of less than \$35 paid to an individual no longer on assistance if the individual does not receive assistance again within three years, unless the individual has been convicted of violating section 256.98.

Sec. 30. [JOINT EFFORT; INCENTIVES TO WORK.]

The commissioners of human services and revenue, in consultation with the commissioner of economic security, must jointly design a plan to provide the following monetary supplements on a monthly basis to eligible working families: federal earned income tax credit, Minnesota working family credit under Minnesota Statutes, section 290.0671, property tax refund under Minnesota Statutes, section 290A.04, and dependent care credit under Minnesota Statutes, section 290.067. The commissioners of human services and revenue shall report the recommendations for implementation to the chairs of the human services policy and funding committees of the legislature by January 1, 1996.

Sec. 31. [EARLY REFUND OF REFUNDABLE TAX CREDITS.]

Notwithstanding any law to the contrary, the commissioner of revenue may, beginning after July 1, 1996, refund on a monthly basis to taxpayers selected by the commissioner of human services an amount based on an estimate of how much the refundable credits of Minnesota Statutes, sections 290.067, 290.0671, and 290A.04, generated in a month exceed the estimated tax imposed under Minnesota Statutes, section 290.06, for the month. Refunds issued under this program will be considered a tax on the taxpayer for the year in which the credits are generated for the purposes of assessing and collecting overpayments of the credits.

Sec. 32. [MINNESOTA PARENTS' FAIR SHARE; MANDATORY COMMUNITY WORK EXPERIENCE.]

The Minnesota parents' fair share pilot project shall include a mandatory community work experience component for participants who fail to comply with the requirements of the pilot project.

Sec. 33. [FEDERAL WAIVER PACKAGE.]

Subdivision 1. [REQUEST.] The commissioner of human services shall make a single request for the waivers listed in this section to the United States Department of Health and Human Services. The waivers in the package support and encourage AFDC recipients to move from reliance on welfare to self-sufficiency. The commissioner shall explore alternatives to the federally required waiver evaluation process in an effort to reduce evaluation costs and develop a cost-effective evaluation process for the waiver package in this section. While also exploring other possible alternatives, the commissioner shall investigate the feasibility of the following: (1) one evaluation for the entire waiver package; (2) consolidation of evaluation efforts for the same or similar waiver with another state; and (3) completion of the evaluation internally, possibly by the office of legislative auditor. The commissioner shall notify the revisor of statutes when each waiver is approved by the federal government.

Subd. 2. [WAIVER TO DISALLOW PARENTAL INCOME OF A PREGNANT OR PARENTING MINOR LIVING WITH PARENTS.] The commissioner shall seek the following waivers: (1) from the filing unit requirement in Code of Federal Regulations, title 45, section 206.10(a)(1)(vii), for minor parents living with a parent on AFDC with other dependent children, resulting in the minor parent receiving the same separate need standard available if the minor parent's parent was not on AFDC; (2) to disregard all parental income if the parent is on AFDC with other children; and (3) if the parent is not on AFDC with other children, to disregard income equal to 150 percent of the federal poverty guideline for a family size not including the minor parent and the minor parent's child and deem the remainder of income under Code of Federal Regulations, title 45, section 233.20(a)(3)(xviii). If the commissioner experiences barriers or complications in preparing the waiver under this subdivision, the commissioner shall report back to the legislature for clarification without delaying the requests for other waivers under this section. The commissioner shall also explore the impact of waivers under this subdivision on other programs and report to the legislature potential waivers necessary to provide consistency across programs. The general policy in requesting these waivers is to keep the family intact and give the minor parent, the dependent child, and the grandparent an incentive to continue living together as a family.

Subd. 3. [WAIVER TO ALLOW START WORK OFFSET.] The commissioner shall seek a waiver of the federal regulation which requires the state to recover AFDC overpayments from the assistance unit if the overpayment occurred in the month the assistance unit started working and the overpayment resulted from the assistance unit's increased earnings. This "start work offset" is available to an assistance unit every two years.

Subd. 4. [WAIVER OF THE 100-HOUR RULE; WORK HISTORY REQUIREMENT; 30-DAY WAITING PERIOD REQUIREMENT.] The commissioner shall seek a waiver to eliminate the 100-hour rule under Code of Federal Regulations, title 45, section 233.100(a)(1)(i); the eligibility requirement for past employment history under Code of Federal Regulations, title 45, section 233.100(a)(3)(iii); and the requirement for a 30-day waiting period under Code of Federal Regulations, title 45, section 233.100(a)(3)(i).

Subd. 5. [WAIVER OF MOTOR VEHICLE RESOURCE LIMIT.] The commissioner shall seek a waiver to increase the maximum equity value of a licensed motor vehicle, which can be excluded as a resource under the federal regulations, from \$1,500 to the level permitted under the federal Food Stamp Program. This waiver is essential for AFDC recipients who need reliable transportation to participate in education, work, and training to become self-sufficient.

Subd. 6. [WAIVER TO ALLOW STUDENTS TO EARN INCOME.] The commissioner shall seek a waiver of the federal regulation which includes the earned income of dependent children and minor caretakers who are attending school at least half time when determining eligibility for AFDC. The commissioner shall also seek a waiver which allows savings set aside in a separate account designated specifically for future education or employment needs to be excluded from the AFDC resource limits.

Subd. 7. [WAIVER OF GUARANTEED CHILD CARE FOR AFDC RECIPIENTS AND RELATED STUDY.] The commissioner shall seek a waiver of the requirement that child care be guaranteed to an AFDC recipient under Minnesota Statutes, section 256H.05, for the purposes of the program being evaluated under this section which will allow an AFDC recipient to earn income without terminating AFDC eligibility. The commissioner shall examine, within the

commissioner's existing budget, the feasibility of allowing public assistance recipients to work part-time, up to a certain level, without affecting the AFDC grant, which will provide the recipient with work experience, confidence in the employment environment, and an opportunity to earn money in order to move from AFDC and to self-sufficiency. The commissioner shall examine "fill-the-gap" budgeting and other possibilities that allow a recipient to earn income without terminating the AFDC grant. The commissioner shall also explore the ancillary issues related to allowing the earned income exception, and report the different options available, the feasibility of implementing each option, and the costs and savings associated with the implementation of each option to the 1996 legislature.

Subd. 8. [IMPLEMENTATION.] The commissioner shall implement the program changes authorized under this subdivision promptly upon approval of the waiver, provided all conditions are met under Minnesota Statutes, section 256.01, subdivision 2, clause (12).

Subd. 9. [EVALUATION.] If any of the federal waivers are granted, the commissioner shall evaluate the program changes according to federal waiver requirements and, if necessary, submit reports to the legislature within a time frame consistent with the evaluation criteria that are established.

Subd. 10. [ADDITIONAL WAIVER REQUEST FOR EMPLOYED DISABLED PERSONS.] The commissioner shall seek a federal waiver in order to implement a work incentive for disabled persons eligible for medical assistance who are not residents of long-term care facilities. The waiver shall request authorization to establish a medical assistance earned income disregard for employed disabled persons equivalent to 200 percent of the federal poverty guideline, except that when a disabled person's earned income reaches 200 percent of the poverty level, the person shall retain medical assistance eligibility and must contribute to the costs of medical care on a sliding fee basis. This subdivision can be implemented only if there is federal financial participation available for the waiver, and this subdivision is subject to the conditions in Minnesota Statutes, section 256.01, subdivision 2, clause (12).

Sec. 34. [MAXIMIZING MAXIS; FRAUD RECOVERY EFFORTS.]

The commissioner of human services shall submit a plan to the legislature by December 1, 1995, to maximize the capability of the MAXIS system to aid in fraud control. The commissioner shall explore ways of using the MAXIS system to establish or expand recovery efforts, certify debts, and collect overpayments due to fraud, client error, or agency error in all state and federally funded public assistance programs. The commissioner shall also make recommendations for sharing recovered revenues under this program with counties to provide incentives to both the state and county to begin or maintain aggressive recovery efforts.

Sec. 35. [COUNTY DESIGN; WORK FOCUSED PROGRAM.]

The commissioner of human services shall issue a request for proposals from counties to submit a plan for developing and implementing a county-designed program. The plan shall be for first-time applicants for aid to families with dependent children (AFDC) and family general assistance (FGA) and must emphasize the importance of becoming employed and oriented into the work force in order to become self-sufficient. If the plan is cost-neutral to the state and approved by the commissioner, the county may implement the plan. If the plan is approved by the commissioner, but a federal waiver is necessary to implement the plan, the commissioner shall apply for the necessary federal waivers. If the plan is approved but is not cost-neutral to the state, the commissioner shall report to the 1996 legislature the cost implications related to the county-designed plan.

Sec. 36. [RESTRUCTURING OF PUBLIC ASSISTANCE.]

(a) The commissioners of human services and economic security shall develop a plan for first-time applicants for aid to families with dependent children (AFDC) and family general assistance (FGA) in order to assure that, during the first six months of eligibility, first-time applicants for AFDC and FGA receive the following in lieu of AFDC or FGA benefits:

- (1) immediate and enhanced job search and placement activities;

(2) subsidized employment in the private or public sector or a placement in a community service job that pays wages up to the value of AFDC or FGA is required if an unsubsidized job is not located within the first 60 days, or at an earlier date recommended by the commissioners;

(3) priority help in establishing child support enforcement;

(4) child care assistance for job search activities and employment;

(5) eligibility for medical care; and

(6) vendor payments for need items included in the AFDC consolidated standard of assistance under the state plan.

(b) The commissioners shall consider to what extent exceptions should be made for:

(1) a person who is suffering from a professionally certified permanent or temporary illness, injury, or incapacity which is expected to continue for more than 30 days and which prevents the person from obtaining or retaining employment;

(2) a person whose presence in the home on a substantially continuous basis is required because of the professionally certified illness, injury, incapacity, or the age of another member of the household;

(3) a person who has been placed in, and is residing in, a licensed or certified facility for purposes of physical or mental health or rehabilitation or in an approved chemical dependency domiciliary facility, if the placement is based on illness or incapacity and a plan developed or approved by the county agency through its director or designated representative;

(4) a person who resides in a shelter facility described in section 256D.05, subdivision 3;

(5) a person not described in clause (1) or (3) who is diagnosed by a licensed physician, licensed psychologist, or other qualified professional as mentally retarded or mentally ill and that condition prevents the person from obtaining or retaining employment;

(6) a person who has an application pending for, or is appealing termination of benefits from, the Social Security Disability program or the program of Supplemental Security Income for the aged, blind, and disabled, provided the person has a professionally certified permanent or temporary illness, injury, or incapacity which is expected to continue for more than 30 days and which prevents the person from obtaining or retaining employment;

(7) a person who is unable to obtain or retain employment because advanced age significantly affects the person's ability to seek or engage in substantial work; and

(8) a pregnant woman, if there is medical verification that the child is expected to be born within the next six months.

(c) The commissioners shall present to the 1996 legislature a statewide implementation plan, which includes employability assessment criteria, feasibility of colocation of services, and a description of the modifications that the commissioners recommend, and will be phased in starting in counties designated by the commissioners. The plan must identify needed federal waivers, evaluation criteria, state plan amendments, and other approvals necessary under the AFDC and job opportunities and basic skills (JOBS) programs. The commissioners' plan must include implementation of the project by October 1, 1996, or after the necessary waivers are approved, whichever is later.

Sec. 37. [RESTRUCTURING OF PROJECT STRIDE.]

The commissioners of human services and economic security shall develop recommendations to restructure the program entitled "success through reaching individual development and employment" (STRIDE), under Minnesota Statutes, sections 256.73 to 256.739, to effectively and efficiently employ AFDC recipients. The commissioners shall identify modifications necessary to implement the following principles:

(1) employment as the expected program outcome;

- (2) training and education used primarily to enhance job skills of employed participants;
- (3) adequate support services available until the recipient achieves employment that provides wages that enable the recipient to be self-sufficient;
- (4) aggressive development of job markets;
- (5) extended post-placement follow-up to retain current employment or move to better jobs;
- (6) concurrent services which combine education and employment;
- (7) certain categories of AFDC recipients shall be required to participate in STRIDE services after two years within the limits of available funding; and
- (8) failure to participate will result in termination of assistance for noncompliant participants under the Family Support Act of 1988.

The commissioners shall present to the 1996 legislature a plan which includes specific categories of mandatory participants and a description of the modifications that the commissioners recommend within existing appropriations. The proposal must identify needed federal waivers, state plan amendments, and other approvals necessary under the AFDC and JOBS programs.

Sec. 38. [CHILD CARE COOPERATIVES.]

A county may collaborate and coordinate efforts with school districts, local youth centers, and other organizations to provide cooperative child care services at a convenient location and provide a low-cost alternative to day care services. The county may collaborate with the local school district or an organization near a school. The county is encouraged to explore other nontraditional suitable locations for community day care services and consult with parents and others who are interested in establishing a day care cooperative.

Parents must be given an opportunity to participate in the child care cooperatives. Incentives offered to parents to participate in the cooperative may include reduced day care costs for an appropriate amount of time or a few hours of free child care that provides a parent with a short respite.

For purposes of the collaborative effort, the county may request a waiver of Minnesota Rules, part 9565.5025, subpart 2, to implement the program. This waiver would reduce the barriers the applicant faces when applying for child care by specifically allowing the applicant to initially declare income, instead of being required to document income. The county may also request a waiver of rules related to day care requirements to provide more flexibility in developing and implementing the cooperative.

Sec. 39. [SEAMLESS CHILD CARE SYSTEM.]

The commissioner of human services shall examine the feasibility of implementing a seamless child care system statewide by July 1, 1996. The seamless child care system must provide a consistent approach to administering child care by consolidating the different child care programs under Minnesota Statutes, chapter 256H, and Minnesota Statutes, section 136A.125, streamlining all child care funding available under Minnesota Statutes, chapter 256H, and Minnesota Statutes, section 136A.125, and making consistent the laws and rules to govern the child care system.

The commissioner shall report to the legislature by November 1995. The report must contain recommendations as to how to develop and implement the system statewide, proposed uniform eligibility criteria, a list of necessary federal waivers, a list of the statutes and rules that must be repealed or amended, and an estimate of state and county savings resulting from the reduction in administrative duties.

Sec. 40. [APPROPRIATIONS.]

Subdivision 1. [APPROPRIATIONS.] The appropriations in this section are from the general fund to the commissioner of human services and are available for the biennium ending June 30, 1997.

Subd. 2. [MINNESOTA PARENTS' FAIR SHARE PILOT PROJECT.] \$..... is appropriated for the following purposes:

(a) \$..... for a grant to Ramsey county to enable the county to expand the Minnesota parents' fair share pilot project. As a condition of this grant, the commissioner may require a local match from the county.

(b) \$..... each is added to the appropriations to Anoka and Dakota counties for costs associated with the Minnesota parents' fair share pilot project.

(c) \$..... for costs associated with the mandatory community work experience component of the Minnesota parents' fair share pilot project.

Subd. 3. [BASIC SLIDING FEE PROGRAM.] \$..... is added to the appropriation for the basic sliding fee program established under Minnesota Statutes, section 256H.03.

Subd. 4. [STRIDE.] \$..... is appropriated for purposes of Minnesota Statutes, section 256.736, subdivision 14.

Subd. 5. [INJURY PROTECTION FOR WORK EXPERIENCE PARTICIPANTS.] \$..... is appropriated to pay for costs associated with the claims arising from the injury protection program, established under Minnesota Statutes, section 256.737.

Subd. 6. [SOCIAL SERVICES EVALUATION.] \$..... is appropriated to pay for county costs associated with minor caretaker evaluations.

Subd. 7. [AFDC CHILD CARE.] \$..... is added to the appropriation to pay for child care costs incurred by job search participants.

Subd. 8. [FRAUD PREVENTION INVESTIGATION PROGRAM.] \$..... is added to the appropriation to expand the number of counties participating in the fraud prevention investigation program.

Subd. 9. [AFDC GRANTS.] \$..... is added to the appropriation for the aid to families with dependent children program.

Subd. 10. [COUNTY COORDINATION OF FRAUD CONTROL ACTIVITIES.] \$..... is appropriated for grants to counties to implement plans submitted under Minnesota Statutes, section 256.986.

Subd. 11. [HUMAN SERVICES ADMINISTRATION.] \$..... is appropriated to pay for administrative costs.

Sec. 41. [REPEALER.]

Minnesota Statutes 1994, section 256.734, is repealed.

Sec. 42. [EFFECTIVE DATE.]

Sections 6 (99 Hour Rule), 9 (Start Work Offset), and 22 (Accrual of Child Support) are effective upon federal approval of the applicable waivers. Section 7 (Parenting Minors) is effective October 1, 1995. Section 16 (Job Search) is effective January 1, 1996. Sections 2, 3, 4, and 5 (MFIP-R) are effective either July 1, 1996, or when the federal waiver is approved, whichever is later. Sections 11 (Registration) and 19 (Good Cause) are effective July 1, 1996. Section 33, subdivision 10 (Employed Disabled Persons), is effective July 1, 1996."

Delete the title and insert:

"A bill for an act relating to welfare reform; requiring pregnant and parenting minors to live with their parents in order to receive AFDC; providing an exception to the AFDC overpayment statute for recipients who have become employed; broadening the scope of the employment and training statute by requiring more AFDC recipients to participate in job searches; allowing vendor emergency assistance payments for damage deposit; providing injury protection for work experience participants; expanding cost-neutral fraud prevention programs; allowing emergency

assistance damage deposit be returned to the county; allowing the county to pay monthly general assistance differently; making general assistance and work readiness lump-sum criteria the same as the AFDC lump-sum criteria, with some exceptions; reducing work readiness eligibility to one month; requiring the departments of human services and revenue to implement a plan which supports working families; directing the commissioner of human services to seek several waivers from the federal government which support and promote self-sufficiency; expanding the parents' fair share pilot project in Ramsey county; expanding state support for basic sliding fee day care program; appropriating money; amending Minnesota Statutes 1994, sections 256.035, subdivision 6d; 256.73, subdivision 8, and by adding subdivisions; 256.736, subdivisions 3, 3a, 4a, 5, 10, 16, and by adding subdivisions; 256.737, subdivision 4, and by adding a subdivision; 256.81; 256.979, by adding a subdivision; 256.983, subdivision 1; 256D.05, subdivision 6; 256D.051, subdivision 1; and 256D.09, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapters 256; and 256D; repealing Minnesota Statutes 1994, section 256.734."

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

SECOND READING OF SENATE BILLS

S.F. Nos. 257, 218, 293, 303, 174, 548, 514, 513 and 386 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Chmielewski moved that his name be stricken as a co-author to S.F. No. 174. The motion prevailed.

Mr. Lessard moved that the name of Mr. Laidig be added as a co-author to S.F. No. 174. The motion prevailed.

Mr. Berg moved that the name of Mr. Vickerman be added as a co-author to S.F. No. 404. The motion prevailed.

Ms. Johnson, J.B. moved that the name of Mr. Marty be added as a co-author to S.F. No. 413. The motion prevailed.

Mr. Betzold moved that the name of Mrs. Pariseau be added as a co-author to S.F. No. 663. The motion prevailed.

Mr. Moe, R.D. moved that his name be stricken as a co-author to S.F. No. 694. The motion prevailed.

Mr. Johnson, D.E. moved that his name be stricken as a co-author to S.F. No. 714. The motion prevailed.

Mr. Price moved that the name of Ms. Johnson, J.B. be added as a co-author to S.F. No. 755. The motion prevailed.

Ms. Berglin moved that the name of Ms. Piper be added as a co-author to S.F. No. 761. The motion prevailed.

Mr. Johnson, D.E. introduced--

Senate Resolution No. 29: A Senate resolution commending Major General Clayton A. Hovda for his many years of dedicated and effective service in the Minnesota Army National Guard.

Referred to the Committee on Rules and Administration.

Mr. Neuville introduced--

Senate Resolution No. 30: A Senate resolution congratulating the Northfield Road Runners on achieving their walking goal.

Referred to the Committee on Rules and Administration.

Ms. Reichgott Junge introduced--

Senate Resolution No. 31: A Senate resolution congratulating Sonnesyn Elementary School of New Hope, Minnesota, for being selected as a National School of Excellence.

Referred to the Committee on Rules and Administration.

CALENDAR

S.F. No. 3: A bill for an act relating to elections; providing for election judges who are not members of a major political party; amending Minnesota Statutes 1994, sections 204B.21, subdivision 1; 204B.25, subdivision 3; and 204C.15.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 74: A bill for an act relating to legislative enactments; providing for the correction of miscellaneous oversights, inconsistencies, ambiguities, unintended results, and technical errors of a noncontroversial nature; amending Minnesota Statutes 1994, sections 84.911, subdivision 7; 86B.335, subdivision 13; 115B.42, subdivision 1; 260.185, subdivision 6; 325F.692, subdivision 3; 326.71, subdivision 4; and 340A.503, subdivision 1; Laws 1994, chapter 527, section 7.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

Without objection, the Senate reverted to the Order of Business of Motions and Resolutions.

MOTIONS AND RESOLUTIONS

Mr. Morse moved that S.F. No. 719 be withdrawn from the Committee on Education and re-referred to the Committee on Governmental Operations and Veterans. The motion prevailed.

CONSENT CALENDAR

S.F. No. 281: A bill for an act relating to metropolitan government; clarifying language and changing obsolete references; amending Minnesota Statutes 1994, sections 275.066; 473.121, subdivision 11; 473.13, subdivisions 1 and 2; 473.164, subdivision 3; 473.375, subdivisions 9 and 13; 473.385, subdivision 2; 473.386, subdivisions 1, 2, and 5; 473.388, subdivision 4; 473.39, subdivision 1b; 473.446, subdivision 8; 473.448; 473.505; 473.595, subdivision 3; and Laws 1994, chapter 628, article 2, section 5; repealing Minnesota Statutes 1994, section 473.394.

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:

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

So the bill passed and its title was agreed to.

S.F. No. 323: A bill for an act relating to housing; clarifying provisions relating to retaliatory conduct and manufactured home parks; amending Minnesota Statutes 1994, section 327C.12.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

GENERAL ORDERS

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

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

S.F. Nos. 335, 64 and 194, which the committee recommends to pass.

S.F. No. 315, which the committee recommends to pass with the following amendments offered by Messrs. Sams, Merriam and Mrs. Pariseau:

Mr. Sams moved to amend S.F. No. 315 as follows:

Page 5, line 14, delete "charitable" and after "nonprofit" insert "charitable, civic, public service, fraternal, or veterans"

Page 5, line 15, delete from "is" through page 5, line 16, to "1986" and insert "does not engage in lobbying and does not support or oppose the nomination or election of a candidate for political office or the passage of a ballot question"

The motion prevailed. So the amendment was adopted.

Mr. Merriam moved to amend S.F. No. 315 as follows:

Page 3, delete lines 8 to 10

The motion prevailed. So the amendment was adopted.

Mrs. Pariseau moved to amend S.F. No. 315 as follows:

Page 7, line 26, delete "400" and insert "100"

The motion prevailed. So the amendment was adopted.

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

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mses. Robertson, Kiscaden, Krentz, Mr. Knutson and Ms. Pappas introduced--

S.F. No. 788: A bill for an act relating to education; authorizing school districts to levy for insurance costs; amending Minnesota Statutes 1994, sections 124.912, subdivision 1; and 466.06.

Referred to the Committee on Education.

Ms. Pappas, Mr. Finn, Mses. Ranum, Robertson and Mr. Dille introduced--

S.F. No. 789: A bill for an act relating to education; modifying staff development and teacher preparation curriculum to include American Indian tribal history, government, and culture; modifying the graduation rule to include an understanding of American Indians; amending Minnesota Statutes 1994, section 126.70, subdivision 2a; and Laws 1994, chapter 647, article 7, section 15.

Referred to the Committee on Education.

Ms. Johnson, J.B.; Messrs. Dille and Novak introduced--

S.F. No. 790: A bill for an act relating to utilities; allowing exemption from rate regulation for small electric utility franchise; amending Minnesota Statutes 1994, section 216B.16, by adding a subdivision.

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

Mses. Johnson, J.B.; Runbeck and Mr. Novak introduced--

S.F. No. 791: A bill for an act relating to utilities; clarifying that public utilities commission may extend deadline for rate suspension period by 20 days when necessary to first make final determination on another, previously filed rate case; amending Minnesota Statutes 1994, section 216B.16, subdivision 2.

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

Mses. Johnson, J.B.; Lesewski and Mr. Novak introduced--

S.F. No. 792: A bill for an act relating to utilities; allowing longer review time for granting petition for rehearing by public utilities commission; amending Minnesota Statutes 1994, section 216B.27, subdivision 4.

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

Messrs. Dille, Bertram, Stevens, Scheevel and Vickerman introduced--

S.F. No. 793: A bill for an act relating to agriculture; eliminating requirements for certain periodic reports by the department of agriculture; amending Minnesota Statutes 1994, sections 18.0228, subdivision 3; and 42.04, subdivision 2; repealing Minnesota Statutes 1994, sections 18.023, subdivision 11; 32.73, subdivision 7; 40A.17; and 41.53, subdivision 3.

Referred to the Committee on Agriculture and Rural Development.

Mses. Ranum, Berglin, Robertson, Messrs. Knutson and Merriam introduced--

S.F. No. 794: A bill for an act proposing an amendment to the Minnesota Constitution, article XIV, sections 5, 6, 7, and 8; permitting the highway user tax distribution fund to be used for public highways, bicycle and pedestrian paths, and public transit; apportioning the trunk highway fund between the metropolitan area and greater Minnesota.

Referred to the Committee on Transportation and Public Transit.

Mses. Anderson, Piper, Messrs. Marty, Betzold and Ms. Kiscaden introduced--

S.F. No. 795: A bill for an act relating to shelter facilities for battered women; requiring payments to be made directly to shelters; clarifying the definition of battered women; specifying that requests for payment and appeals be directed to the commissioner of human services; amending Minnesota Statutes 1994, section 256D.05, subdivisions 3 and 3a.

Referred to the Committee on Family Services.

Mr. Knutson, Ms. Olson, Mr. Scheevel and Ms. Robertson introduced--

S.F. No. 796: A bill for an act relating to education; eliminating the state board of education; creating a state education advisory council; transferring certain state board of education duties to the department of education; amending Minnesota Statutes 1994, sections 16B.43, subdivision 2; 120.064, subdivisions 3, 4, 8, 10, 14, 17, 21, and 24; 120.17, subdivisions 1, 3, 3b, and 7a; 120.65; 120.66; 121.02; 121.05; 121.14; 121.148, subdivision 3; 121.16, subdivision 1, and by adding subdivisions; 121.48; 121.585, subdivisions 2 and 8; 121.612, subdivisions 2, 3, 6, 7, and 9; 121.914, subdivision 3; 122.23, subdivision 3; 122.242, subdivisions 1 and 2; 123.38, subdivision 3; 123.39, subdivision 8a; 123.58, subdivision 9; 123.933, subdivision 1; 123.947; 124.14,

subdivisions 1 and 4; 124.15, subdivisions 2, 2a, 4, 5, and 7; 124.223, subdivision 11; 124.41, subdivision 2; 124.431, subdivision 7; 124.48; 124.573, subdivisions 3 and 3a; 124.574, subdivisions 4 and 5; 124.625; 124C.12, subdivisions 1, 4, and 5; 124C.46, subdivision 3; 125.05, subdivisions 1, 1c, 2, and 4; 125.09, subdivisions 1 and 4; 125.121, subdivisions 1 and 2; 125.1885, subdivisions 1, 4, and 5; 125.702, subdivision 2; 126.019; 126.36, subdivision 4; 126.49, subdivision 4; 126.52, subdivision 5; 126.531; 126.82; 127.44; 128A.02; 128A.022; 128A.023; 128A.024, subdivision 2; 128A.025, subdivision 2; 128A.026, subdivision 1; 128A.05, subdivision 3; 128A.07, subdivision 2; 128A.09, subdivision 3; 134.201, subdivision 1; 134.22; 134.32, subdivision 8; 134.34, subdivision 3; 134.351, subdivision 1; 134.36; 136A.041; 136D.75; 138.054, subdivision 2; 169.448, subdivision 2; 169.974, subdivision 2; 171.04, subdivision 1; 216C.13; 248.07, subdivision 3; 465.797, subdivision 1; and 471.18; repealing Minnesota Statutes 1994, sections 15.014, subdivision 3; 121.02, subdivision 4; 121.03; 121.04; 121.06; 121.11; 121.15, subdivision 5; 123.78, subdivision 3; 124.431, subdivision 6; 126.22, subdivision 5; 126.665; and 128A.023, subdivision 1.

Referred to the Committee on Education.

Messrs. Pogemiller, Metzen, Terwilliger, Stumpf and Riveness introduced--

S.F. No. 797: A bill for an act relating to retirement; public employees retirement association police and fire fund; changing early retirement reduction factors; amending Minnesota Statutes 1994, section 353.651, subdivision 4.

Referred to the Committee on Governmental Operations and Veterans.

Messrs. Murphy and Vickerman introduced--

S.F. No. 798: A bill for an act relating to taxation; allowing the city of Lake City to extend the duration of a tax increment financing district.

Referred to the Committee on Taxes and Tax Laws.

Mses. Ranum, Anderson, Messrs. Kelly and Knutson introduced--

S.F. No. 799: A bill for an act relating to crime prevention; clarifying the reasonable person standard for manslaughter in the first degree; clarifying certain acts that constitute murder in the first degree; amending Minnesota Statutes 1994, sections 609.185; and 609.20.

Referred to the Committee on Crime Prevention.

Mr. Frederickson introduced--

S.F. No. 800: A bill for an act relating to retirement; public employees retirement association; exempting physicians employed by Springfield community hospital and medical clinic from coverage.

Referred to the Committee on Governmental Operations and Veterans.

Ms. Berglin introduced--

S.F. No. 801: A bill for an act relating to health; recodifying and modifying provisions relating to lead abatement law; appropriating money; amending Minnesota Statutes 1994, sections 16B.61, subdivision 3; 116.87, subdivision 2; 144.99, subdivision 1; 268.92, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 10, and by adding a subdivision; and 462A.05, subdivision 15c; proposing coding for new law in Minnesota Statutes, chapter 144; repealing Minnesota Statutes 1994, sections 115C.082, subdivision 2; 144.871; 144.872; 144.873; 144.874; 144.876; 144.877; 144.8771; 144.878; 144.8781; 144.8782; and 144.879.

Referred to the Committee on Health Care.

Ms. Berglin introduced--

S.F. No. 802: A bill for an act relating to alcoholic beverages; authorizing the issuance of an on-sale liquor license; amending Minnesota Statutes 1994, section 340A.404, subdivision 2.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Pogemiller introduced--

S.F. No. 803: A bill for an act relating to retirement; modifying administrative provisions relating to the Minneapolis employees retirement fund; amending Minnesota Statutes 1994, section 422A.05, by adding a subdivision.

Referred to the Committee on Governmental Operations and Veterans.

Mr. Samuelson introduced--

S.F. No. 804: A bill for an act relating to the disposition of proceeds from a local lodging tax imposed by the city of Breezy Point.

Referred to the Committee on Taxes and Tax Laws.

Mr. Chmielewski, Ms. Ranum, Messrs. Murphy, Price and Kelly introduced--

S.F. No. 805: A bill for an act relating to health; giving the commissioner of administration authority to negotiate contract prices for all prescription drugs sold in Minnesota; allowing correction orders to be issued; establishing a statewide drug formulary; requiring a pharmacy to post a sign on generic substitution; amending Minnesota Statutes 1994, sections 151.21, subdivisions 2, 3, and by adding a subdivision; and 256B.0625, subdivision 13; proposing coding for new law in Minnesota Statutes, chapters 16B; and 256.

Referred to the Committee on Health Care.

Messrs. Morse, Finn, Hottinger and Kleis introduced--

S.F. No. 806: A bill for an act relating to retirement; higher education supplemental retirement and individual retirement plans; revising laws governing certain faculty in the state university and community college systems who return to teaching part time after retirement; part-time faculty program participation; investment options; amending Minnesota Statutes 1994, sections 136.90; 354.445; 354.66, by adding a subdivision; 354B.05, subdivisions 2 and 3; 354B.07, subdivisions 1 and 2; and 354B.08, subdivision 2.

Referred to the Committee on Governmental Operations and Veterans.

Mr. Novak and Ms. Johnson, J.B. introduced--

S.F. No. 807: A bill for an act relating to utilities; allowing small gas utility franchises an exemption from rate regulation for incidental utility service; amending Minnesota Statutes 1994, section 216B.16, subdivision 12.

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

Messrs. Merriam, Lessard, Morse, Ms. Olson and Mr. Novak introduced--

S.F. No. 808: A bill for an act relating to utilities; exempting cogeneration plants from the certificate of need process; requiring exempted cogeneration plants to waive federal rights which force utilities to purchase power generated by the exempted plant; amending Minnesota Statutes 1994, section 216B.243, subdivision 8.

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

Messrs. Merriam, Lessard, Morse, Ms. Olson and Mr. Novak introduced--

S.F. No. 809: A bill for an act relating to utilities; energy; excepting cogeneration plants from the requirements of the power plant siting act; preempting local siting regulations for cogeneration plants; amending Minnesota Statutes 1994, sections 116C.52, subdivision 5; and 116C.61, subdivision 1.

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

Mr. Metzen introduced--

S.F. No. 810: A bill for an act relating to local government; excluding certain fire and police department employees from civil service in the city of South St. Paul.

Referred to the Committee on Governmental Operations and Veterans.

Messrs. Hottinger, Terwilliger, Pogemiller, Ms. Runbeck and Flynn introduced--

S.F. No. 811: A bill for an act relating to the municipal board; providing for the composition of the board; amending Minnesota Statutes 1994, section 414.01, subdivisions 2, 3a, 5, and 6a.

Referred to the Committee on Metropolitan and Local Government.

Messrs. Hottinger, Terwilliger, Pogemiller, Ms. Runbeck and Flynn introduced--

S.F. No. 812: A bill for an act relating to local government; transferring authority for incorporations, detachments, and annexations to the office of strategic and long-range planning and the office of administrative hearings; appropriating money; amending Minnesota Statutes 1994, sections 14.03, subdivision 2; 414.01, subdivisions 1, 14, 15, 16, 17, and by adding a subdivision; 414.011, subdivisions 7 and 8; 414.012; 414.02; 414.031; 414.0325; 414.033; 414.035; 414.036; 414.041; 414.051; 414.06; 414.061; 414.063; 414.067; 414.07; and 414.09; repealing Minnesota Statutes 1994, sections 414.01, subdivisions 2, 3, 3a, 4, 5, 6a, 7a, 8, 10, 11, and 12; and 414.08.

Referred to the Committee on Metropolitan and Local Government.

Messrs. Solon; Johnson, D.J.; Janezich and Chmielewski introduced--

S.F. No. 813: A bill for an act relating to the city of Duluth; appropriating money from the bond proceeds fund for improvements to the Lake Superior Zoological Gardens.

Referred to the Committee on Metropolitan and Local Government.

Messrs. Solon and Johnson, D.J. introduced--

S.F. No. 814: A bill for an act relating to education; establishing a rural psychiatry program at the University of Minnesota Duluth; proposing coding for new law in Minnesota Statutes, chapter 137.

Referred to the Committee on Education.

Mrs. Pariseau, Messrs. Kramer and Kleis introduced--

S.F. No. 815: A bill for an act relating to health; requiring planning for a program to promote the long-term development of children and to prevent abuse; proposing coding for new law in Minnesota Statutes, chapter 145.

Referred to the Committee on Health Care.

Messrs. Vickerman, Murphy, Bertram and Johnson, D.J. introduced--

S.F. No. 816: A bill for an act relating to taxation; providing for the establishment of tax increment financing districts in the city of Lakefield; providing that the districts are exempt from the state aid offset; defining regional tax capacity.

Referred to the Committee on Taxes and Tax Laws.

Mr. Scheevel, Ms. Ranum, Messrs. Knutson, Larson and Ms. Krentz introduced--

S.F. No. 817: A bill for an act relating to education; adding education aid programs to be used to adjust state aid payments for property tax shift adjustment; discontinuing reserved revenue for student examination fees for advanced placement and international baccalaureate programs; modifying procedure for district transportation of a nonresident pupil; allowing for transportation of pupils from home or secondary school to post-secondary institution; providing criteria of use for certain school buses; modifying early levy recognition of late activity levy; modifying timelines to file objections to school district decisions regarding children with a disability; providing for immunity from liability for hearing officers for decisions regarding children with a disability; providing for reasonable accommodations for students with a disability attending post-secondary institutions under the post-secondary enrollment option program; modifying grant program to assist American Indians to become teachers; modifying requirements for teaching licenses in American Indian language and culture education; allocating money among special education aid programs; requiring one-year expulsion of a pupil who brings a firearm to school; modifying allocation of capital expenditure facilities revenue to exclude allocation to debt redemption fund; allowing consolidating districts to make fund transfers; making combination proceedings equivalent to consolidation; limiting eligibility for consolidation transition revenue; permitting the department to employ school district personnel working on the graduation rule for up to five years; discontinuing department of education school finance study requirement; extending Pine Point schools; extending administrative licensure rules; modifying librarians of color program; providing option under which multicounty, multitype library systems can be governed; clarifying law governing the state academy for the deaf and the state academy for the blind; amending Minnesota Statutes 1994, sections 120.062, subdivision 9; 120.17, subdivision 3b; 121.11, subdivision 7c; 121.912, subdivision 6; 122.21, subdivision 4; 123.3514, subdivisions 7, 8, and by adding a subdivision; 123.39, subdivision 6; 124.155, subdivision 2; 124.225, subdivision 1; 124.226, subdivision 9; 124.2726, subdivision 1; 125.62, subdivision 7; 126.49, by adding a subdivision; 128A.02, subdivisions 1, 3, 5, and by adding a subdivision; 128A.021; 128A.022, subdivisions 1 and 6; 128A.024, subdivision 4; 128A.025, subdivisions 1 and 2; 128A.026; 128A.05, subdivisions 1 and 2; 128B.10, subdivision 1; 134.155; and 134.351, subdivision 4; Laws 1993, chapter 224, article 12 sections 39 and 41; Laws 1994, chapter 587, article 3, section 19, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 127; repealing Minnesota Statutes 1994, sections 124.243, subdivision 9; 124A.27, subdivision 11; 128A.02, subdivisions 2 and 4; and 128A.03; Laws 1992, chapter 499, article 7, section 27.

Referred to the Committee on Education.

Ms. Anderson, Messrs. Morse, Novak, Ms. Lesewski and Mr. Kroening introduced--

S.F. No. 818: A bill for an act relating to economic development; providing funding to Minnesota Project Innovation for its government marketing assistance and small business innovation research partnering programs; appropriating money.

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

Mr. Vickerman, Ms. Lesewski, Messrs. Johnson, D.E.; Bertram and Sams introduced--

S.F. No. 819: A bill for an act relating to agriculture; creating a "Passing on the Farm Center"; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 17.

Referred to the Committee on Agriculture and Rural Development.

Messrs. Metzen, Stumpf, Spear, Terwilliger and Limmer introduced--

S.F. No. 820: A bill for an act relating to retirement; correctional employees retirement plan of the Minnesota state retirement system; transferring various employment positions in the departments of corrections and human services from coverage by the general state employees retirement plan or the teachers retirement association to the correctional employees retirement plan; amending Minnesota Statutes 1994, sections 352.91, by adding subdivisions; and 352.92, subdivision 2.

Referred to the Committee on Governmental Operations and Veterans.

Mr. Janezich introduced--

S.F. No. 821: A bill for an act relating to education; providing for state aid payments for costs for school district retired employee health benefits; appropriating money; amending Minnesota Statutes 1994, section 124.916, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 124.

Referred to the Committee on Education.

Messrs. Solon, Stumpf, Ms. Piper, Messrs. Johnson, D.J. and Sams introduced--

S.F. No. 822: A bill for an act relating to health; requiring managed care plans to provide certain enrollees with expanded geographic access to primary care physician services; proposing coding for new law in Minnesota Statutes, chapter 62Q.

Referred to the Committee on Health Care.

Mr. Chmielewski introduced--

S.F. No. 823: A bill for an act relating to higher education; appropriating money for Fond du Lac community college.

Referred to the Committee on Education.

Ms. Johnson, J.B.; Messrs. Johnson, D.J.; Kelly; Chmielewski and Frederickson introduced--

S.F. No. 824: A bill for an act relating to economic development; establishing a microenterprise support program; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 116J.

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

Mr. Spear introduced--

S.F. No. 825: A bill for an act relating to paternity; providing for paternity of certain children conceived by artificial insemination after death of father; amending Minnesota Statutes 1994, section 257.56, by adding a subdivision.

Referred to the Committee on Judiciary.

Messrs. Kelly, Merriam, Ms. Anderson, Messrs. Frederickson and Kroening introduced--

S.F. No. 826: A bill for an act relating to economic development; appropriating money for contamination cleanup grants under Minnesota Statutes, sections 116J.551 to 116J.558.

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

Messrs. Marty and Hottinger introduced--

S.F. No. 827: A bill for an act relating to state government; revising certain requirements related to consultant contracts; transferring duties from the commissioner of administration to the commissioner of finance; amending Minnesota Statutes 1994, sections 3.98, by adding a subdivision; and 16B.17, subdivision 4.

Referred to the Committee on Governmental Operations and Veterans.

Mr. Laidig introduced--

S.F. No. 828: A bill for an act relating to appropriations; providing funds to rehabilitate the statue of Leif Erikson.

Referred to the Committee on Governmental Operations and Veterans.

Ms. Reichgott Junge introduced--

S.F. No. 829: A bill for an act relating to game and fish; requiring a trout and salmon stamp to possess trout and salmon taken by angling; amending Minnesota Statutes 1994, section 97C.305, subdivision 1.

Referred to the Committee on Environment and Natural Resources.

Mr. Finn introduced--

S.F. No. 830: A bill for an act relating to state lands; requiring the commissioner of natural resources to convey certain land to the city of Akeley for public purposes.

Referred to the Committee on Environment and Natural Resources.

Mr. Merriam introduced--

S.F. No. 831: A bill for an act relating to crime; expanding the definition of "value" in the theft statute; amending Minnesota Statutes 1994, section 609.52, subdivision 1.

Referred to the Committee on Crime Prevention.

Ms. Flynn, Messrs. Belanger and Langseth introduced--

S.F. No. 832: A bill for an act relating to taxation; changing the gasoline excise tax rate; indexing the rate of taxation on gasoline; removing metropolitan council transit bonding limitation; allowing metropolitan council to impose a metropolitan area sales tax; limiting metropolitan council transit taxing authority; requiring continued study of road pricing; requiring study of trunk highway turnback; amending Minnesota Statutes 1994, sections 296.02, subdivision 1b, and by adding a subdivision; 473.39, subdivision 1; and 473.446, subdivisions 1 and 8; proposing coding for new law in Minnesota Statutes, chapter 473; repealing Minnesota Statutes 1994, sections 473.39, subdivisions 1a and 1b; and 473.446, subdivision 3.

Referred to the Committee on Transportation and Public Transit.

Mses. Flynn and Berglin introduced--

S.F. No. 833: A bill for an act relating to the city of Minneapolis; authorizing the city to determine the method for the sale of unclaimed property; repealing Laws 1919, chapter 396.

Referred to the Committee on Metropolitan and Local Government.

Ms. Pappas, Messrs. Price, Belanger, Hottinger and Johnson, D.J. introduced--

S.F. No. 834: A bill for an act relating to taxation; updating references to the Internal Revenue Code; amending Minnesota Statutes 1994, section 290.01, subdivision 19.

Referred to the Committee on Taxes and Tax Laws.

Ms. Pappas, Messrs. Belanger, Novak, Chmielewski and Vickerman introduced--

S.F. No. 835: A bill for an act relating to metropolitan government; authorizing financing for transit and paratransit facilities and equipment; removing the limitation on metro mobility funding for capital costs; amending Minnesota Statutes 1994, section 473.39, subdivision 1b.

Referred to the Committee on Transportation and Public Transit.

Messrs. Solon, Metzen, Belanger, Janezich and Larson introduced--

S.F. No. 836: A bill for an act relating to commerce; rental-purchase agreements; regulating the cost of lease services; providing for the application of certain other law; amending Minnesota Statutes 1994, sections 325F.84, by adding a subdivision; 325F.85; and 325F.91, by adding a subdivision.

Referred to the Committee on Commerce and Consumer Protection.

Mses. Pappas, Flynn, Messrs. Chmielewski and Mondale introduced--

S.F. No. 837: A bill for an act relating to transportation; requiring transit symbol on licenses and identification cards for senior citizens; establishing an employer payroll tax to support transit programs; requiring consultation for route and schedule changes; establishing route and schedule planning review process; requiring a study and report by the metropolitan council concerning coordination of transit services; requiring assessment of electric vehicle technology; authorizing issuance of free bus passes; appropriating money; amending Minnesota Statutes 1994, sections 171.07, subdivisions 1 and 3a; 473.375, by adding subdivisions; and 473.408, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 473.

Referred to the Committee on Transportation and Public Transit.

Messrs. Solon; Johnson, D.J. and Ms. Piper introduced--

S.F. No. 838: A bill for an act relating to barbers; exempting persons performing barbering services for charitable purposes from registration and other requirements; amending Minnesota Statutes 1994, section 154.04.

Referred to the Committee on Commerce and Consumer Protection.

Messrs. Dille, Bertram, Ms. Hanson and Mr. Berg introduced--

S.F. No. 839: A bill for an act relating to agriculture; changing certain pesticide dealer requirements; changing expiration of pesticide applicator certifications; requiring consideration of passive bioremediation in certain cases; amending Minnesota Statutes 1994, sections 18B.31; 18B.36, subdivision 2; and 18D.105, subdivision 3a.

Referred to the Committee on Agriculture and Rural Development.

Mr. Cohen introduced--

S.F. No. 840: A bill for an act relating to elections; campaign finance; changing the treatment of spending limits and public subsidy in certain cases; amending Minnesota Statutes 1994, section 10A.25, subdivision 10.

Referred to the Committee on Ethics and Campaign Reform.

Mr. Mondale, Ms. Flynn, Messrs. Terwilliger and Novak introduced--

S.F. No. 841: A bill for an act relating to local government; modifying certain provisions relating to comprehensive municipal planning in the metropolitan area; amending Minnesota Statutes 1994, sections 103B.235, subdivisions 3, 5, and by adding a subdivision; 462.355, by adding a subdivision; 462.357, subdivision 2, and by adding a subdivision; 473.858, subdivision 1; 473.859, subdivisions 1, 2, and 5; and 473.864, subdivision 2.

Referred to the Committee on Metropolitan and Local Government.

Messrs. Betzold and Sams introduced--

S.F. No. 842: A bill for an act relating to occupations and professions; board of psychology; modifying board duties; changing types of licensure; changing licensure provisions; providing for discipline; providing penalties; amending Minnesota Statutes 1994, sections 147.09; 148.88; 148.881; 148.89, subdivisions 2a, 5, and by adding a subdivision; 148.90, subdivisions 1 and 2; 148.905, subdivision 1; 148.911; 148.925; 148.941, subdivisions 2, 4, and by adding subdivisions; 148.96; 148.975; 148.98; 253B.02, subdivision 11; proposing coding for new law in Minnesota Statutes, chapter 148; repealing Minnesota Statutes 1994, sections 148.89, subdivisions 6, 7, and 8; 148.91; 148.921; 148.93; 148.951; and 148.97.

Referred to the Committee on Health Care.

Mses. Kiscaden, Robertson, Messrs. Kelly, Merriam and Ms. Runbeck introduced--

S.F. No. 843: A bill for an act relating to health; requiring certain consent procedures before an abortion; proposing coding for new law in Minnesota Statutes, chapter 145.

Referred to the Committee on Health Care.

Messrs. Dille and Kelly introduced--

S.F. No. 844: A bill for an act relating to marriage; increasing the marriage license fee and allowing the fee to be waived in certain circumstances; providing health care coverage for marriage and family counseling; allowing a judge to order counseling if one of the parties contests the separation or dissolution of the marriage; amending Minnesota Statutes 1994, sections 62A.152, subdivision 2; 62D.102; 256.9353, subdivision 1; 256B.0625, by adding a subdivision; 517.08, subdivisions 1b and 1c; proposing coding for new law in Minnesota Statutes, chapter 518.

Referred to the Committee on Judiciary.

Mses. Berglin, Kiscaden, Piper, Messrs. Sams and Oliver introduced--

S.F. No. 845: A bill for an act relating to health; MinnesotaCare; establishing requirements for integrated service networks; modifying requirements for health plan companies; establishing the standard health coverage; delaying the regulated all-payer option; modifying universal coverage and insurance reform provisions; revising the research and data initiatives; expanding eligibility for the MinnesotaCare program; establishing prescription drug coverage for low-income Medicare beneficiaries; extending the health care commission and regional coordinating boards; making technical changes; reducing tax deductions for the voluntarily insured; providing penalties; appropriating money; amending Minnesota Statutes 1994, sections 13.99, by adding a subdivision; 60A.02, subdivision 1a; 60B.02; 60B.03, subdivision 2; 60G.01, subdivisions 2, 4, and 5; 62A.10, subdivisions 1 and 2; 62A.65, subdivisions 5 and 8; 62D.02, subdivision 8; 62D.042, subdivision 2; 62D.11, subdivision 1; 62E.141; 62H.04; 62H.08; 62J.017; 62J.04, subdivision 3; 62J.05, subdivisions 2 and 9; 62J.06; 62J.09, subdivisions 1, 2, 6, 8, and by adding a subdivision; 62J.17, subdivision 4a; 62J.212; 62J.37; 62J.38; 62J.40; 62J.41, subdivision 1; 62J.48; 62J.55; 62L.02, subdivisions 11, 16, 24, and 26; 62L.03, subdivisions 3, 4, and 5; 62L.09, subdivision 1; 62L.12, subdivision 2; 62N.02, by adding subdivisions; 62N.04; 62N.10, by adding a subdivision; 62N.11, subdivision 1; 62N.13; 62N.14, subdivision 3; 62P.03; 62P.05, by adding a subdivision; 62P.07,

subdivision 4; 62P.31; 62Q.01, subdivisions 2, 3, and by adding subdivisions; 62Q.03, subdivisions 1, 6, 7, 8, 9, 10, and by adding subdivisions; 62Q.07, subdivisions 1 and 2; 62Q.09, subdivision 3; 62Q.11, subdivision 2; 62Q.165; 62Q.17, subdivisions 2, 6, 8, and by adding a subdivision; 62Q.18; 62Q.19; 62Q.25; 136A.1355, subdivisions 3 and 5; 136A.1356, subdivisions 3 and 4; 144.1464, subdivisions 2, 3, and 4; 144.147, subdivision 1; 144.1484, subdivision 1; 144.1486, subdivision 4; 144.1489, subdivision 3; 151.48; 214.16, subdivisions 2 and 3; 256.9354, subdivisions 1, 4, 5, and by adding a subdivision; 256.9357, subdivisions 1, 2, and 3; 256.9358, by adding a subdivision; 256B.057, subdivision 3; 270.101, subdivision 1; 290.01, subdivision 19a; 295.50, subdivisions 3, 4, and 10a; 295.53, subdivisions 1, 3, and 4; 295.55, subdivision 4; and 295.57; Laws 1990, chapter 591, article 4, section 9; Laws 1994, chapter 625, article 5, section 10, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 62J; 62L; 62N; 62Q; and 295; repealing Minnesota Statutes 1994, sections 62J.045; 62J.07, subdivision 4; 62J.09, subdivision 1a; 62J.19; 62J.30; 62J.31; 62J.32; 62J.33; 62J.34; 62J.35; 62J.41, subdivisions 3 and 4; 62J.44; 62J.45; 62J.65; 62L.08, subdivision 7a; 62Q.03, subdivisions 2, 3, 4, 5, and 11; 62Q.21; and 62Q.27; Laws 1993, chapter 247, article 1, sections 12, 13, 14, 15, 18, and 19; Minnesota Rules, part 4685.1700, subpart 1, item D.

Referred to the Committee on Health Care.

Messrs. Neuville; Solon; Chandler; Johnson, D.E. and Vickerman introduced--

S.F. No. 846: A bill for an act relating to commerce; regulating videotape distributions, sales, and rentals; requiring captioning for deaf or hearing-impaired persons; providing penalties and remedies; proposing coding for new law in Minnesota Statutes, chapter 325I.

Referred to the Committee on Commerce and Consumer Protection.

Ms. Berglin and Mr. Johnson, D.J. introduced--

S.F. No. 847: A bill for an act relating to taxation; gross revenues tax on wholesale drug distributors; exempting payments from federal agencies and instrumentalities; amending Minnesota Statutes 1994, section 295.53, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

MEMBERS EXCUSED

Messrs. Day and Lessard were excused from the Session of today. Mr. Knutson was excused from the Session of today from 9:00 to 9:30 a.m. Mr. Ourada was excused from the Session of today from 9:00 to 9:40 a.m.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:00 a.m., Monday, March 6, 1995. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate