

## THIRTY-FIRST DAY

St. Paul, Minnesota, Wednesday, March 29, 1995

The Senate met at 9:45 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	Kroening	Neuville	Sams
Beckman	Hanson	Laidig	Novak	Samuelson
Belanger	Hottinger	Langseth	Oliver	Scheevel
Berg	Janezich	Larson	Olson	Solon
Berglin	Johnson, D.E.	Lesewski	Ourada	Spear
Bertram	Johnson, D.J.	Lessard	Pappas	Stevens
Betzold	Johnson, J.B.	Limmer	Pariseau	Stumpf
Chandler	Johnston	Marty	Piper	Terwilliger
Chmielewski	Kelly	Merriam	Price	Vickerman
Cohen	Kiscaden	Metzen	Ranum	Wiener
Day	Kleis	Moe, R.D.	Reichgott Junge	
Dille	Knutson	Mondale	Riveness	
Finn	Kramer	Morse	Robertson	
Flynn	Krentz	Murphy	Runbeck	

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.

March 24, 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 Acts of the 1995 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Time and Date Approved 1995	Date Filed 1995
64		12	2:30 p.m. March 20	March 20
323		13	2:32 p.m. March 20	March 20
	749	14	11:20 a.m. March 22	March 22
	362	15	11:14 a.m. March 22	March 22

Sincerely,  
Joan Anderson Growe  
Secretary of State

March 27, 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. Nos. 50, 181, 182 and 318.

Warmest regards,  
Arne H. Carlson, Governor

March 28, 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 Acts of the 1995 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Time and Date Approved 1995	Date Filed 1995
	125	16	2:20 p.m. March 27	March 27
	435	17	2:21 p.m. March 27	March 27
	231	18	2:23 p.m. March 27	March 27
50		19	2:28 p.m. March 27	March 27
181		20	2:28 p.m. March 27	March 27
182		21	2:30 p.m. March 27	March 27
	887	22	2:25 p.m. March 27	March 27
	95	23	2:27 p.m. March 27	March 27
318		24	2:35 p.m. March 27	March 27

Sincerely,  
Joan Anderson Growe  
Secretary of State

**MESSAGES FROM THE HOUSE**

Mr. President:

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

**S.F. No. 335:** A bill for an act relating to the organization and operation of state government; providing supplemental appropriations for certain purposes.

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

Girard, Solberg and Luther.

Senate File No. 335 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 27, 1995

Mr. President:

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

**S.F. No. 214:** A bill for an act relating to crime prevention; providing an exception to the prohibition on concealing identity; amending Minnesota Statutes 1994, section 609.735.

Senate File No. 214 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 27, 1995

**CONCURRENCE AND REPASSAGE**

Mr. Spear moved that the Senate concur in the amendments by the House to S.F. No. 214 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 214 was read the third time, as amended by the House, and placed on its repassage.

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

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

Those who voted in the affirmative were:

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

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

**MESSAGES FROM THE HOUSE - CONTINUED**

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 527, 528, 843, 1015, 1018, 1060, 1211, 1256, 1399, 446 and 1105.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 27, 1995

**FIRST READING OF HOUSE BILLS**

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

**H.F. No. 527:** A bill for an act relating to telecommunications; requiring for persons with communication impairments to be eligible to receive communication devices through the TACIP board, that they must be able to use the equipment; amending Minnesota Statutes 1994, section 237.53, subdivision 2.

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

**H.F. No. 528:** A bill for an act relating to telecommunications; restricting eligibility for communication device for communication-impaired person in a residential care facility when the facility already provides or is required to provide comparable telephone service; amending Minnesota Statutes 1994, section 237.53, subdivision 2.

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

**H.F. No. 843:** A bill for an act relating to insurance; health; requiring coverage for hospitalization and anesthesia coverage for dental procedures; requiring coverage for general anesthesia and treatment for covered medical conditions rendered by a dentist; proposing coding for new law in Minnesota Statutes, chapter 62A.

Referred to the Committee on Health Care.

**H.F. No. 1015:** A bill for an act relating to the environment; environmental quality board; modifying the environmental review program; amending Minnesota Statutes 1994, section 116D.04, subdivisions 1a, 2a, 2b, and 5a.

Referred to the Committee on Environment and Natural Resources.

**H.F. No. 1018:** A bill for an act relating to the environment; conforming state regulation of chlorofluorocarbons to federal law; amending Minnesota Statutes 1994, sections 116.731, subdivisions 2, 4, and 4a; and 116.735.

Referred to the Committee on Environment and Natural Resources.

**H.F. No. 1060:** 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.

**H.F. No. 1211:** A bill for an act relating to public contractors' performance bonds; exempting certain manufacturers from requirements for posting bonds; amending Minnesota Statutes 1994, section 574.26, by adding a subdivision.

Referred to the Committee on Governmental Operations and Veterans.

**H.F. No. 1256:** A bill for an act relating to energy; adopting federal energy standards for air conditioners, certain gas-burning equipment, lamps, showerheads, and faucets; amending Minnesota Statutes 1994, section 216C.19, subdivisions 13, 14, 16, and 19.

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

**H.F. No. 1399:** A bill for an act relating to crime; imposing penalties for assaulting a police horse while it is being used for law enforcement purposes; proposing coding for new law in Minnesota Statutes, chapter 609.

Referred to the Committee on Crime Prevention.

**H.F. No. 446:** A bill for an act relating to occupations and professions; establishing licensure for acupuncture practitioners by the board of medical practice; providing penalties; proposing coding for new law as Minnesota Statutes, chapter 147B.

Referred to the Committee on Governmental Operations and Veterans.

**H.F. No. 1105:** A bill for an act relating to paternity; eliminating a presumption for husbands in certain cases; allowing husbands to join in a recognition of parentage; amending Minnesota Statutes 1994, sections 257.55, subdivision 1; 257.57, subdivision 2; and 257.75, subdivisions 1, 2, 4, and by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 626, now on General Orders.

## REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted, with the exception of the report on S.F. No. 1103. The motion prevailed.

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

**S.F. No. 649:** A bill for an act relating to insurance; regulating trade practices; prohibiting certain insurance agent quotas; amending Minnesota Statutes 1994, section 72A.20, 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. [60A.178] [LIFE OR HEALTH INSURANCE POLICY QUOTAS.]

No insurer, its officers, or managers shall require licensed property and casualty agents to sell a specified number of life or health insurance policies or a specified dollar amount of life and health insurance as a condition of selling property-casualty insurance. No insurer, its officers, or managers may reduce or restrict an agent's underwriting authority on property-casualty insurance policies based upon the sale of life or health insurance. The provisions of this section do not apply to agents who are directly employed by the insurer or who write 80 percent or more of their gross annual insurance business for one company or any or all of its subsidiaries."

Amend the title as follows:

Page 1, line 3, delete "amending"

Page 1, delete line 4

Page 1, line 5, delete "subdivision" and insert "proposing coding for new law in Minnesota Statutes, chapter 60A"

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

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

**S.F. No. 1146:** A bill for an act relating to licensing; electricians; eligibility requirement for applicant for master electrician licensure; amending Minnesota Statutes 1994, section 326.242, subdivision 1.

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

Pages 1 and 2, delete section 1 and insert:

"Section 1. [CLASS A MASTER ELECTRICIAN'S LICENSE; APPLICATION.]

Notwithstanding Minnesota Statutes, section 326.242, or other law, the board of electricity shall consider an applicant for a class A master electrician's license eligible for the class A license exam if the applicant has had at least ten years of supervised or unsupervised experience in planning for, laying out, supervising, and installing wiring, apparatus, or equipment for electrical light, heat, and power, holds an adult vocational education license issued by the state board of technical colleges, and has had at least ten years experience as an instructor of a maintenance electrician course."

Amend the title as follows:

Page 1, line 4, delete everything after "licensure"

Page 1, line 5, delete everything before the period

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

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

**S.F. No. 1033:** A bill for an act relating to insurance; solvency; regulating disclosures, reinsurance, capital stock, managing general agents, and contracts issued on a variable basis; amending Minnesota Statutes 1994, sections 60A.03, subdivision 9; 60A.07, subdivision 10; 60A.09, subdivision 5; 60A.093, subdivision 2; 60A.705, subdivision 8; 60A.75; 60H.02, subdivision 4; 60H.05, subdivision 1; 60H.08; 61A.19; 67A.231; proposing coding for new law in Minnesota Statutes, chapter 60A.

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

Page 1, after line 11, insert:

"Section 1. Minnesota Statutes 1994, section 13.71, is amended by adding a subdivision to read:

Subd. 18. [MATERIAL TRANSACTION REPORTS.] Reports required to be filed by insurers regarding certain material transactions are classified under section 60A.135, subdivision 4."

Page 1, line 26, delete "confidential" and insert "as nonpublic data as defined in section 13.02,"

Page 3, line 22, delete "and retirement of"

Pages 3 and 4, delete section 3

Page 5, after line 9, insert:

"Sec. 5. Minnesota Statutes 1994, section 60A.11, subdivision 18, is amended to read:

Subd. 18. [STOCKS AND LIMITED PARTNERSHIPS.] (a) Stocks issued or guaranteed by any corporation incorporated under the laws of the United States of America or any state, commonwealth, or territory of the United States, including the District of Columbia, or the laws of the Dominion of Canada or any province or territory of Canada, or stocks or stock equivalents, including American Depositary Receipts or unit investment trusts, listed or regularly traded on a national securities exchange on the following conditions:

(1) A company may not invest more than a total of 25 percent of its total admitted assets in

stocks, stock equivalents, and convertible issues. Not more than ten percent of a company's total admitted assets may be invested in stocks, stock equivalents, and convertible issues not traded or listed on a national securities exchange or designated or approved for designation upon notice of issuance on the NASDAQ/National Market System. This limitation does not apply to investments under clause (4);

(2) A company may not invest in more than two percent of its total admitted assets in preferred stocks of any corporation which are traded on a national securities exchange and may also invest in other preferred stocks if the issuer has qualified net earnings and if current or cumulative dividends are not then in arrears;

(3) A company may not invest in more than two percent of its total admitted assets in common stocks, common stock equivalents, or securities convertible into common stock or common stock equivalents of any corporation or business trust which are traded on a national securities exchange or designated or approved for designation upon notice of issuance on the NASDAQ/National Market System, and may also invest in other common stocks, stock equivalents, and convertible issues subject to the limitations specified in clause (1);

(4) A company may organize or acquire and hold voting control of a corporation or business trust through its ownership of common stock, common stock equivalents, or other securities, provided the corporation or business trust is: (a) a corporation providing investment advisory, banking, management or sale services to an investment company or to an insurance company, (b) a data processing or computer service company, (c) a mortgage loan corporation engaged in the business of making, originating, purchasing or otherwise acquiring or investing in, and servicing or selling or otherwise disposing of loans secured by mortgages on real property, (d) a corporation if its business is owning and managing or leasing personal property, (e) a corporation providing securities underwriting services or acting as a securities broker or dealer, (f) a real property holding, developing, managing, brokerage or leasing corporation, (g) any domestic or foreign insurance company, (h) any alien insurance company, if the organization or acquisition and the holding of the company is subject to the prior approval of the commissioner of commerce, which approval must be given upon good cause shown and is deemed to have been given if the commissioner does not disapprove of the organization or acquisition within 30 days after notification by the company, (i) an investment subsidiary to acquire and hold investments which the company could acquire and hold directly, if the investments of the subsidiary are considered direct investments for purposes of this chapter and are subject to the same percentage limitations, requirements and restrictions as are contained herein, or (j) any corporation whose business has been approved by the commissioner as complementary or supplementary to the business of the company. A company may invest up to an aggregate of ten percent of its total admitted assets under subclauses (a) to (e) of this clause. The diversification requirement of subdivision 12, paragraph (b), does not apply to this clause;

(5) A company may invest in warrants and rights granted by an issuer to purchase securities of the issuer if that security of the issuer, at the time of the acquisition of the warrant or right to purchase, would qualify as an investment under paragraph (a), clause (2) or (3), whichever is applicable, provided that security meets the standards prescribed in the clause at the time of acquisition of the securities; and

(6)(i) A company may invest in the securities of any face amount certificate company, unit investment trust, or management type investment company, registered or in the process of registration under the Investment Company Act of 1940 as from time to time amended, provided that the aggregate of all these investments other than in securities of money market mutual funds or mutual funds investing primarily in United States government securities, determined at cost, shall not exceed five percent of its total admitted assets; investments may be made under this clause without regard to the percentage limitations applicable to investments in voting securities.

(ii) A company may invest in any proportion of the shares or investment units of an investment company or investment trust, whether or not registered under the Investment Company Act of 1940, which is managed by an insurance company, member bank, trust company regulated by state or federal authority or an investment manager or adviser registered under the Investment Advisers Act of 1940 or qualified to manage the investments of an investment company registered under the Investment Company Act of 1940, provided that the investments of the investment

company or investment trust are qualified investments made under this section and that the articles of incorporation, bylaws, trust agreement, investment management agreement, or some other governing instrument limits its investments to investments qualified under this section.

(b) A company may invest in or otherwise acquire and hold a limited partnership interest in any limited partnership formed under the laws of any state, commonwealth, or territory of the United States or under the laws of the United States of America. A company may invest in or otherwise acquire and hold a member interest in any limited liability company formed under the laws of any state, commonwealth, or territory of the United States or under the laws of the United States. No limited partnership or limited liability company member interest shall be acquired if the investment, valued at cost, exceeds two percent of the admitted assets of the company or if the investment, plus the book value on the date of the investment of all limited partnership and limited liability company interests then held by the company and held under the authority of this subdivision, exceeds ten percent of the company's admitted assets. Limited partnership and limited liability company interests traded on a national securities exchange must be classified as stock equivalents and are not subject to the percentage limitations contained in this paragraph.

Sec. 6. Minnesota Statutes 1994, section 60A.11, subdivision 20, is amended to read:

Subd. 20. [REAL ESTATE.] (a) Except as provided in paragraphs (b) to (d), a company may only acquire, hold, and convey real estate which:

(1) has been mortgaged to it in good faith by way of security for loans previously contracted, or for money due;

(2) has been conveyed to it in satisfaction of debts previously contracted in the course of its dealings;

(3) has been purchased at sales on judgments, decrees or mortgages obtained or made for the debts; and

(4) is subject to a contract for deed under which the company holds the vendor's interest to secure the payments the vendee is required to make thereunder.

All the real estate specified in clauses (1) to (3) must be sold and disposed of within five years after the company has acquired title to it, or within five years after it has ceased to be necessary for the accommodation of the company's business, and the company must not hold this property for a longer period unless the company elects to hold the real estate under another section, or unless it procures a certificate from the commissioner of commerce that its interest will suffer materially by the forced sale thereof, in which event the time for the sale may be extended to the time the commissioner directs in the certificate. The market value of real estate specified in clauses (1) to (3) must be established by the written certification of a licensed real estate appraiser. The appraisal is required at the time the company elects to hold the real estate under clauses (1) to (3).

(b) A company may acquire and hold real estate for the convenient accommodation of its business.

(c) A company may acquire real estate or any interest in real estate, including oil and gas and other mineral interests, as an investment for the production of income, and may hold, improve or otherwise develop, subdivide, lease, sell and convey real estate so acquired directly or as a joint venture or through a limited, limited liability, or general partnership in which the company is a partner or through a limited liability company in which the company is a member.

(d) A company may also hold real estate (1) if the purpose of the acquisition is to enhance the sale value of real estate previously acquired and held by the company under this section, and (2) if the company expects the real estate so acquired to qualify under paragraph (b) or (c) above within five years after acquisition.

(e) A company may, after securing the approval of the commissioner, acquire and hold real estate for the purpose of providing necessary living quarters for its employees. The company must dispose of the real estate within five years after it has ceased to be necessary for that purpose unless the commissioner agrees to extend the holding period upon application by the company.



(f) A company may not invest more than 25 percent of its total admitted assets in real estate. The cost of any parcel of real estate held for both the accommodation of business and for the production of income must be allocated between the two uses annually. No more than ten percent of a company's total admitted assets may be invested in real estate held under paragraph (b). No more than 15 percent of a company's total admitted assets may be invested in real estate held under paragraph (c). No more than three percent of its total admitted assets may be invested in real estate held under paragraph (e). Upon application by a company, the commissioner of commerce may increase any of these limits up to an additional five percent."

Page 5, line 25, delete the colon

Page 5, delete line 26

Page 5, line 27, delete everything before "the"

Page 5, line 30, delete "given confidential treatment" and insert "held as nonpublic data as defined in section 13.02"

Page 7, line 23, before "No" insert "(a)"

Page 7, line 30, delete "as such," and insert "by a property and casualty insurer" and after "affects" insert ":

(i)"

Page 7, line 31, delete "and" and insert "or

(ii) more than 50 percent of the insurer's total ceded indemnity and loss adjustment reserves; and"

Page 7, delete line 36

Page 8, delete lines 1 to 27 and insert:

"(b) With respect to either property and casualty or life, annuity, and accident and health business, either of the following events constitute a material revision that must be reported under section 60A.135:

(1) an authorized reinsurer representing more than ten percent of a total cession is replaced by one or more unauthorized reinsurers; or

(2) previously established collateral requirements have been reduced or waived for one or more unauthorized reinsurers representing collectively more than ten percent of a total cession.

(c) Notwithstanding paragraphs (a) and (b), no filing is required:

(1) for property and casualty business, including accident and health business written by a property and casualty insurer if the insurer's total ceded written premium represents, on an annualized basis, less than ten percent of its total written premium for direct and assumed business; or

(2) for life, annuity, and accident and health business if the total reserve credit taken for business ceded represents, on an annualized basis, less than ten percent of the statutory reserve requirement before any cession."

Page 8, line 28, delete "3" and insert "2"

Page 10, lines 9 to 19, reinstate the stricken language and delete the new language

Page 10, line 21, delete "material noncompliance" and insert "violation"

Page 10, line 29, delete "not materially"

Page 10, line 30, delete "complied with" and insert "violated"

Page 12, lines 27 to 33, reinstate the stricken language and delete the new language

Page 13, line 1, delete the new language

Page 13, line 3, delete "material noncompliance" and insert "violation"

Page 13, line 11, delete everything after "has" and insert "violated"

Page 13, line 12, delete "with"

Page 14, after line 12, insert:

"Sec. 16. Minnesota Statutes 1994, section 61A.31, subdivision 3, is amended to read:

Subd. 3. [ACQUISITION OF PROPERTY.] Any domestic life insurance company may:

(a) acquire real property or any interest in real property, including oil and gas and other mineral interests, in the United States or any state thereof, or in the Dominion of Canada or any province thereof, as an investment for the production of income, and hold, improve or otherwise develop, and lease, sell, and convey the same either directly or as a joint venturer or through a limited, limited liability, or general partnership in which the company is a partner or through a limited liability company in which the company is a member. A company may not invest in any real property asset other than property held for the convenience and accommodation of its business if the investment causes: (1) the company's aggregate investments in the real property assets to exceed ten percent of its admitted assets; or (2) the company's investment in any single parcel of real property to exceed one-half of one percent of its admitted assets;

(b) acquire personal property in the United States or any state thereof, or in the Dominion of Canada or any province thereof, under lease or leases or commitment for lease or leases if: (1) either the fair value of the property exceeds the company's investment in it or the lessee, or at least one of the lessees, or a guarantor, or at least one of the guarantors, of the lease is a corporation with a net worth of \$1,000,000 or more; and (2) the lease provides for rent sufficient to amortize the investment with interest over the primary term of the lease or the useful life of the property, whichever is less. A company may not invest in the personal property if the investment causes the company's aggregate investments in the personal property to exceed three percent of its admitted assets;

(c) acquire and hold real estate (1) if the purpose of the acquisition is to enhance the sale value of real estate previously acquired and held by the company under this section and (2) if the company expects the real estate so acquired to qualify and be held by the company under paragraph (a) within five years after acquisition; and

(d) not acquire real property under paragraphs (a) to (c) if the property is to be used primarily for agricultural, horticultural, ranch, mining, or church purposes.

All real property acquired or held under this subdivision must be carried at a value equal to the lesser of (1) cost plus the cost of capitalized improvements, less normal depreciation, or (2) market value."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, before "60A.03" insert "13.71, by adding a subdivision;" and delete "60A.09,"

Page 1, line 7, delete "subdivision 5;" and after "2;" insert "60A.11, subdivisions 18 and 20;"

Page 1, line 9, after "61A.19;" insert "61A.31, subdivision 3;"

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

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

**H.F. No. 673:** A bill for an act relating to insurance; regulating risk-based capital for insurers; enacting the model act of the National Association of Insurance Commissioners; amending Minnesota Statutes 1994, section 13.71, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 60A.

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

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

**H.F. No. 150:** A bill for an act relating to liquor; term of temporary on-sale licenses; amending Minnesota Statutes 1994, sections 340A.404, subdivision 10; and 340A.410, subdivision 10.

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

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

**S.F. No. 704:** A bill for an act relating to insurance; prohibiting zip code rating in homeowner's and automobile insurance; amending Minnesota Statutes 1994, section 72A.20, subdivisions 13 and 23.

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

**Mr. Vickerman from the Committee on Metropolitan and Local Government, to which was referred**

**H.F. No. 866:** A bill for an act relating to local government; authorizing home rule charter and statutory cities to make grants to nonprofit community food shelves; proposing coding for new law in Minnesota Statutes, chapter 465.

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

Page 1, line 11, after "amount" insert "to be determined by the governing body"

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

**Mr. Vickerman from the Committee on Metropolitan and Local Government, to which was referred**

**S.F. No. 1275:** A bill for an act relating to metropolitan transit; appropriating money for security measures on metropolitan council transit vehicles.

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

Page 1, line 7, delete "\$354,000" and insert "\$....."

Page 1, line 10, delete "plexiglass" and insert "plexiglas"

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

**Mr. Vickerman from the Committee on Metropolitan and Local Government, to which was referred**

**S.F. No. 1144:** A bill for an act relating to highway traffic regulations; authorizing the Minneapolis city council to delegate to the city engineer certain authority over traffic and parking.

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

Page 1, line 8, after "any" insert "other" and delete "or" and insert a comma and after "provision," insert "or ordinance to the contrary,"

Page 1, line 15, after the period, insert paragraph coding

Page 1, after line 22, insert:

"Sec. 2. [CONTRACTING AUTHORITY; PROFESSIONAL SERVICES.]

Notwithstanding any other law, charter provision, or ordinance to the contrary, the authority to enter into professional services agreements may be delegated by the Minneapolis city council to heads of departments of the city of Minneapolis, subject to whatever conditions and limitations the city council may establish by ordinance. The agreements may be executed by the heads of the city departments on behalf of the city but shall not exceed the amount established under Minnesota Statutes, section 471.345, for which competitive bids are required."

Page 1, line 23, delete "2" and insert "3"

Page 1, line 24, delete "Section 1 is" and insert "Sections 1 and 2 are"

Amend the title as follows:

Page 1, line 2, delete "highway traffic regulations" and insert "the city of Minneapolis"

Page 1, line 4, before the period, insert "; authorizing the council to delegate certain authority to contract for professional services"

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

**Mr. Vickerman from the Committee on Metropolitan and Local Government, to which was referred**

**H.F. No. 823:** A bill for an act relating to local government; authorizing Hennepin county to lease hospital or nursing home facilities under certain conditions; proposing coding for new law in Minnesota Statutes, chapter 383B.

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

Page 1, line 9, delete "sections" and insert "section" and delete "to 447.50" and insert ", subdivision 1,"

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

**Mr. Vickerman from the Committee on Metropolitan and Local Government, to which was referred**

**S.F. No. 1200:** A bill for an act relating to crime prevention; requiring county sheriffs to be licensed as peace officers before taking office; amending Minnesota Statutes 1994, sections 204B.06, by adding a subdivision; 387.01; and 626.846, subdivision 6.

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

**Mr. Vickerman from the Committee on Metropolitan and Local Government, to which was referred**

**S.F. No. 1300:** A bill for an act relating to the metropolitan airports commission; providing for the detachment of intermediate airport land from cities or school districts; amending Minnesota Statutes 1994, section 473.625.

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.

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

**S.F. No. 1440:** A bill for an act relating to human services; adding to definition of base level

funding; adding provisions for local children's mental health collaborative; changing provisions for integrated fund task force; requiring approval for a collaborative's integrated service system; amending Minnesota Statutes 1994, sections 245.492, subdivisions 2, 6, 9, and 23; 245.493, subdivision 2; 245.4932, subdivisions 1, 2, 3, and 4; 245.494, subdivisions 1 and 3; 245.495; 245.496, subdivision 3, and by adding a subdivision; and 256B.0625, subdivision 37; proposing coding for new law in Minnesota Statutes, chapter 245.

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

Page 1, line 19, strike "1993" and insert "1995"

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. 1336:** A bill for an act relating to health; modifying provisions relating to drug dispensing; amending Minnesota Statutes 1994, section 152.11, subdivision 1.

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

Page 2, after line 17, insert:

"Sec. 2. Minnesota Statutes 1994, section 152.11, subdivision 2, is amended to read:

Subd. 2. No person may dispense a controlled substance included in schedule III or IV of section 152.02 without a written or oral prescription from a doctor of medicine, a doctor of osteopathy licensed to practice medicine, a doctor of dental surgery, a doctor of dental medicine, a doctor of podiatry, or a doctor of veterinary medicine, lawfully licensed to prescribe in this state or a state bordering Minnesota, and having a current federal drug enforcement administration registration number. Such prescription may not be dispensed or refilled except with the written or verbal consent of the prescriber, and in no event more than six months after the date on which such prescription was issued and no such prescription may be refilled more than five times."

Amend the title as follows:

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

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. 135:** A bill for an act relating to health occupations and professions; board of psychology; eliminating the written declaration of intent filing requirement for persons with a master's degree who are seeking licensure as a licensed psychologist; amending Minnesota Statutes 1994, section 148.921, subdivision 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. 1088:** A bill for an act relating to courts; civil actions; modifying the requirements for an application to proceed in forma pauperis; allowing the court to dismiss an action for false allegations of poverty or if it is frivolous or malicious; providing for a hearing; providing for the payment of fees and costs by inmates; providing for the disposition of damages recovered by an inmate; requiring disciplinary rules on false claims or evidence by an inmate; amending Minnesota Statutes 1994, sections 243.23, subdivision 3; and 563.01, subdivision 3, and by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapters 243; 244; and 563.

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 243.23, subdivision 3, is amended to read:

Subd. 3. [EXCEPTIONS.] Notwithstanding sections 241.26, subdivision 5, and 243.24, subdivision 1, the commissioner ~~may promulgate rules for the disbursement of~~ shall make deductions from funds earned under subdivision 1, or other funds in an inmate account, and section 243.88, subdivision 2. The commissioner shall first make deductions for the following expenses in the following order of priority:

- (1) federal and state taxes;
- (2) repayment of advances;
- (3) gate money as provided in section 243.24; and,
- (4) where applicable, mandatory savings as provided by United States Code, title 18, section 1761, as amended. ~~The commissioner's rules may then provide for disbursements to be made in the following order of priority:~~
- (1) for the;
- (5) support of families and dependent relatives of the respective inmates;
- (2) for the (6) payment of court-ordered restitution;
- (3) for (7) payment of fees and costs in a civil action commenced by an inmate;
- (8) payment of fines, surcharges, or other fees assessed or ordered by a court;
- (4) for (9) contribution to any programs established by law to aid victims of crime provided that the contribution shall not be more than 20 percent of an inmate's gross wages;
- (5) for the (10) payment of restitution to the commissioner ordered by prison disciplinary hearing officers for damage to property caused by an inmate's conduct; and
- (6) (11) for the discharge of any legal obligations arising out of litigation under this subdivision.

The commissioner may authorize the payment of court-ordered restitution from an inmate's wages when the restitution was ordered by the court as a sanction for the conviction of an offense which is not the offense of commitment, including offenses which occurred prior to the offense for which the inmate was committed to the commissioner. An inmate of an adult correctional facility under the control of the commissioner is subject to actions for the enforcement of support obligations and reimbursement of any public assistance rendered the dependent family and relatives. The commissioner may conditionally release an inmate who is a party to an action under this subdivision and provide for the inmate's detention in a local detention facility convenient to the place of the hearing when the inmate is not engaged in preparation and defense.

## Sec. 2. [243.241] [CIVIL ACTION MONEY DAMAGES.]

Money damages recovered in a civil action by an inmate confined in a state correctional facility or released from a state correctional facility under section 244.065 or 244.07 shall be deposited in the inmate account fund and disbursed according to the priorities in section 243.23, subdivision 3.

## Sec. 3. [244.035] [SANCTIONS RELATED TO LITIGATION.]

The commissioner shall develop disciplinary sanctions to provide infraction penalties for an inmate who submits a frivolous or malicious claim or who testifies falsely or submits false evidence to a court. Infraction penalties may include loss of privileges, isolation or punitive segregation, loss of good time, or adding discipline confinement time.

## Sec. 4. Minnesota Statutes 1994, section 563.01, subdivision 3, is amended to read:

Subd. 3. Any court of the state of Minnesota or any political subdivision thereof may authorize the commencement or defense of any civil action, or appeal therein, without prepayment of fees,

costs and security for costs by a natural person who makes affidavit stating (a) the nature of the action, defense or appeal, (b) a belief that affiant is entitled to redress, and (c) that affiant is financially unable to pay the fees, costs and security for costs.

Upon a finding by the court that the action is not of a frivolous nature, the court shall allow the person to proceed in forma pauperis if the affidavit is substantially in the language required by this subdivision and is not found by the court to be untrue. Persons meeting the requirements of this subdivision include, but are not limited to, a person who is receiving public assistance, who is represented by an attorney on behalf of a civil legal services program or a volunteer attorney program based on indigency, or who has an annual income not greater than 125 percent of the poverty line established under United States Code, title 42, section 9902(2), except as otherwise provided by section 563.02.

Sec. 5. [563.02] [INMATE LIABILITY FOR FEES AND COSTS.]

Subdivision 1. [DEFINITION.] For purposes of this section, "inmate" means a person convicted of a felony who is committed to the custody of the commissioner of corrections and is:

- (1) confined in a state correctional facility; or
- (2) released from a state correctional facility under section 244.065 or 244.07.

Subd. 2. [INMATE REQUEST TO PROCEED IN FORMA PAUPERIS.] (a) An inmate who wishes to commence a civil action by proceeding in forma pauperis must meet the following requirements, in addition to the requirements of section 563.01, subdivision 3:

(1) exhaust the inmate complaint procedure developed under the commissioner of corrections policy and procedure before commencing a civil action against the department, and state in the application to proceed in forma pauperis that the inmate has done so; and

(2) include the following information in an affidavit submitted under section 563.01:

(i) a statement that the inmate's claim is not substantially similar to a previous claim brought by the inmate against the same party and arising from the same operative facts;

(ii) complete information on the inmate's identity, the nature and amount of the inmate's income, spouse's income, if available to the inmate, real property owned by the inmate, and the inmate's bank accounts, debts, monthly expenses, and number of dependents; and

(iii) the most recent monthly statement provided by the commissioner of corrections showing the balance in the inmate's inmate account.

The inmate shall also attach a written authorization for the court to obtain at any time during pendency of the present action, without further authorization from the inmate, a current statement of the inmate's inmate account balance, if needed to determine eligibility to proceed with bringing a civil action in forma pauperis. An inmate who has no funds in an inmate account satisfies the requirement of section 563.01, subdivision 3, clause (c).

(b) An inmate who seeks to proceed as a plaintiff in forma pauperis and who is not represented by counsel must file with the court the affidavit under this section and the complaint in the action before serving the complaint on an opposing party.

(c) An inmate who has funds in an inmate account may only proceed as a plaintiff in a civil action by paying the lesser of:

- (i) the applicable court filing fee; or
- (ii) 50 percent of the balance shown in the inmate's account according to the statement filed with the court under this subdivision, consistent with the requirements of section 243.23, subdivision 3.

If an inmate elects to proceed under this paragraph, the court shall notify the commissioner of corrections to withdraw from the inmate's inmate account the amount required under this paragraph and forward it to the court administrator in the county where the action was

commenced. The court shall also notify the commissioner of corrections of the amount of the filing fee remaining unpaid. The commissioner shall continue making withdrawals from the inmate's account and forwarding the amounts withdrawn to the court administrator at intervals as the applicable funds in the inmate's account equal at least \$10, until the entire filing fee and any costs have been paid in full.

Subd. 3. [DISMISSAL OF ACTION.] (a) The court may, as provided by this subdivision, dismiss, in whole or in part, an action in which an affidavit has been filed under section 563.01 by an inmate seeking to proceed as a plaintiff. The action shall be dismissed without prejudice on a finding that the allegation of financial inability to pay fees, costs, and security for costs is false. The action shall be dismissed with prejudice if it is frivolous or malicious. In determining whether an action is frivolous or malicious, the court may consider whether:

- (1) the claim has no arguable basis in law or fact; or
- (2) the claim is substantially similar to a previous claim that was brought against the same party and arises from the same operative facts.

An order dismissing the action or specific claims asserted in the action may be entered before or after service of process, and with or without holding a hearing.

If the court dismisses a specific claim in the action, it shall designate any issue and defendant on which the action is to proceed without the payment of fees and costs. An order under this subdivision is not subject to interlocutory appeal.

(b) To determine whether the allegation of financial inability to pay fees, costs, and security for costs is false or whether the claim is frivolous or malicious, the court may:

- (1) request the commissioner of corrections to file a report under oath responding to the issues described in paragraph (a), clause (1) or (2);
- (2) order the commissioner of corrections to furnish information on the balance in the inmate's inmate account, if authorized by the inmate under subdivision 2; or
- (3) hold a hearing at the correctional facility where the inmate is confined on the issue of whether the allegation of financial inability to pay is false, or whether the claim is frivolous, or malicious.

Subd. 4. [DEFENSE WITHOUT FEES OR COSTS.] A natural person who is named as a defendant in a civil action brought by an inmate may appear and defend the action, including any appeal in the action, without prepayment of the filing fee. If the natural person prevails in the action, the inmate is liable for the person's fees and costs, including reasonable attorney fees."

Delete the title and insert:

"A bill for an act relating to courts; civil actions; modifying the requirements for an application to proceed in forma pauperis by an inmate; allowing the court to dismiss an inmate's action for false allegations of poverty or if it is frivolous or malicious; providing for a hearing; providing for the payment of fees and costs by inmates; providing for the disposition of damages recovered by an inmate; allowing parties to defend certain actions brought by inmates without paying costs; requiring disciplinary rules on false claims or evidence by an inmate; amending Minnesota Statutes 1994, sections 243.23, subdivision 3; and 563.01, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 243; 244; and 563."

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

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

**S.F. No. 364:** A bill for an act relating to employment; establishing an obligation by certain employees to communicate certain threats; amending Minnesota Statutes 1994, section 268A.05, subdivision 1, and by adding a subdivision.



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

Page 1, line 25, delete "OBLIGATION" and insert "AUTHORIZATION"

Page 2, line 4, delete everything after "employee" and insert "may"

Page 2, line 6, after the comma, insert "may"

Page 2, line 9, delete "monetary"

Page 2, line 13, delete "obligation" and insert "authorization"

Page 2, line 16, delete everything after the period

Page 2, delete lines 17 and 18

Amend the title as follows:

Page 1, line 2, delete everything after the semicolon and insert "authorizing"

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. 1042:** A bill for an act relating to partnerships; modifying name requirements; eliminating a filing requirement; clarifying when debts arise or accrue; amending Minnesota Statutes 1994, sections 319A.02, subdivision 7; 319A.07; 319A.08; 322B.12, subdivision 1; and 323.14, 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 319A.02, subdivision 7, is amended to read:

Subd. 7. "Corporation" as used in this chapter includes a limited liability company organized under chapter 322B and a limited liability partnership. With respect to a limited liability company, references in this chapter to articles of incorporation, bylaws, directors, officers, shareholders and shares of stock shall refer to articles of organization, operating agreement, governors, managers, members and membership interests, respectively. With respect to a limited liability partnership and except as otherwise provided in section 319A.08, references in this chapter to articles of incorporation and bylaws refer to partnership agreement; references to directors, officers, and shareholders refer to partners; and references to shares of stock refer to partnership interests.

Sec. 2. Minnesota Statutes 1994, section 319A.07, is amended to read:

319A.07 [CORPORATE NAME.]

The corporate name of any corporation organized under sections 319A.01 to 319A.22 shall not be used to imply superiority and, in the case of a corporation, other than a limited liability company, shall end with the word "Chartered," or the word "Limited," or the abbreviation "Ltd.," or the words "Professional Association," or the abbreviation "P.A." The name of any limited liability company organized under sections 319A.01 to 319A.22 and chapter 322B shall end with the words "Professional Limited Liability Company," or the abbreviation "P.L.C.," or the words "Limited Liability Company," or the abbreviation "LLC." The name of any limited liability partnership organized under sections 319A.01 to 319A.22 and chapter 323 ~~must~~ shall end with the words "Professional Limited Liability Partnership," or the abbreviation "P.L.L.P.," or the words "Limited Liability Partnership," or the abbreviation "LLP."

Sec. 3. Minnesota Statutes 1994, section 319A.08, is amended to read:

319A.08 [PROFESSIONAL REGULATION.]

No professional corporation or foreign professional corporation shall begin to render

professional service in the state of Minnesota until it has filed with each board having jurisdiction of professional service of a type which the corporation is authorized to render a copy of its articles of incorporation, except that a limited liability company shall instead file a copy of its articles of organization and a limited liability partnership shall instead file a copy of its registration with the secretary of state pursuant to section 323.44. Except as provided in this section, nothing in sections 319A.01 to 319A.22 shall restrict or limit in any manner the authority or duty of a board with respect to persons rendering professional service within the jurisdiction of the board, even if the person is a shareholder, director, officer, employee or agent of a professional corporation or foreign professional corporation and renders professional service through such corporation.

Sec. 4. Minnesota Statutes 1994, section 322A.02, is amended to read:

322A.02 [NAME.]

(a) The name of each limited partnership as set forth in its certificate of limited partnership:

(1) shall contain ~~without abbreviation~~ the words "limited partnership" or the abbreviation "LP";

(2) may not contain the name of a limited partner unless (i) it is also the name of a general partner or the corporate name of a corporate general partner, or (ii) the business of the limited partnership had been carried on under that name before the admission of that limited partner;

(3) must be distinguishable from the name of a domestic corporation or limited partnership, whether profit or nonprofit, or a foreign corporation or limited partnership authorized or registered to do business in this state, whether profit or nonprofit, a limited liability company, whether domestic or foreign, or a name the right to which is reserved or provided for in the manner provided for in sections 302A.117, 322A.03, 322B.125, or 333.001 to 333.54, unless there is filed with the certificate a written consent, court decree of prior right, or affidavit of nonuse, of the kind required by section 302A.115, subdivision 1, paragraph (d); and

(4) may not contain the following words: corporation, incorporated.

The secretary of state shall determine whether a name is "distinguishable" from another name for purposes of this section and section 322A.03. This section does not abrogate or limit the law of unfair competition or unfair practices, nor sections 333.001 to 333.54, nor the laws of the United States with respect to the right to acquire and protect copyrights, trademarks, service names, service marks, or any other rights to the exclusive use of names or symbols, nor derogate the common law or principles of equity.

(b) A person doing business in this state may contest the subsequent registration of a name with the office of the secretary of state as provided in section 5.22.

Sec. 5. Minnesota Statutes 1994, section 322A.72, is amended to read:

322A.72 [NAME.]

(a) A foreign limited partnership may register with the secretary of state under any name (whether or not it is the name under which it is registered in its state of organization) that includes ~~without abbreviation~~ the words "limited partnership" or the abbreviation "LP" and that could be registered by a domestic limited partnership.

(b) A person doing business in this state may contest the subsequent registration of a name with the office of the secretary of state as provided in section 5.22.

Sec. 6. Minnesota Statutes 1994, section 322B.12, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENTS AND PROHIBITIONS.] The limited liability company name must:

(1) be in the English language or in any other language expressed in English letters or characters;

(2) contain the words "limited liability company," or must contain the abbreviation "LLC" or, in the case of an organization formed pursuant to section 319A.03, must ~~contain the words~~

"professional limited liability company," or the abbreviation "PLC" meet the requirements of section 319A.07 applicable to a limited liability company;

(3) not contain the word corporation or incorporated and must not contain the abbreviation of either or both of these words;

(4) not contain a word or phrase that indicates or implies that it is organized for a purpose other than a legal business purpose; and

(5) be distinguishable upon the records in the office of the secretary of state from the name of a domestic limited liability company, corporation, or limited partnership, whether profit or nonprofit, or a foreign limited liability company, corporation, or limited partnership authorized or registered to do business in this state, whether profit or nonprofit, or a name the right to which is, at the time of organization, reserved or provided for in sections 302A.117, 317A.117, 322A.03, 322B.125, or 333.001 to 333.54, unless there is filed with the articles of organization one of the following:

(i) the written consent of the domestic limited liability company, corporation, or limited partnership or foreign limited liability company, corporation, or limited partnership authorized or registered to do business in this state or the holder of a reserved name or a name filed by or registered with the secretary of state under sections 333.001 to 333.54 having a name that is not distinguishable;

(ii) a certified copy of a final decree of a court in this state establishing the prior right of the applicant to the use of the name in this state; or

(iii) the applicant's affidavit that the limited liability company, corporation, or limited partnership with the name that is not distinguishable has been organized, incorporated, or on file in this state for at least three years prior to the affidavit, if it is a domestic limited liability company, corporation, or limited partnership, or has been authorized or registered to do business in this state for at least three years prior to the affidavit, if it is a foreign limited liability company, corporation, or limited partnership, or that the holder of a name filed or registered with the secretary of state under sections 333.001 to 333.54 filed or registered that name at least three years prior to the affidavit, and has not during the three-year period filed any document with the secretary of state; that the applicant has mailed written notice to the limited liability company, corporation, or limited partnership or the holder of a name filed or registered with the secretary of state under sections 333.001 to 333.54 by certified mail, return receipt requested, properly addressed to the registered office of the limited liability company or corporation or in care of the agent of the limited partnership, or the address of the holder of a name filed or registered with the secretary of state under sections 333.001 to 333.54, shown in the records of the secretary of state, that the applicant intends to use a name that is not distinguishable and the notice has been returned to the applicant as undeliverable to the addressee limited liability company, corporation, or limited partnership or holder of a name filed or registered with the secretary of state under sections 333.001 to 333.54; that the applicant, after diligent inquiry, has been unable to find any telephone listing for the limited liability company, corporation, or limited partnership with the name that is not distinguishable in the county in which is located the registered office of the limited liability company or corporation shown in the records of the secretary of state or has been unable to find any telephone listing for the holder of a name filed or registered with the secretary of state under sections 333.001 to 333.54 in the county in which is located the address of the holder shown in the records of the secretary of state; and that the applicant has no knowledge that the limited liability company, corporation, or limited partnership or holder of a name filed or registered with the secretary of state under sections 333.001 to 333.54 is currently engaged in business in this state.

Sec. 7. Minnesota Statutes 1994, section 323.14, is amended by adding a subdivision to read:

Subd. 6. [WHEN DEBTS AND OBLIGATIONS ARISE AND ACCRUE.] For the purposes of this section and section 323.16:

(a) All partnership debts and obligations under or relating to a note, contract, or other agreement arise and accrue when the note, contract, or other agreement is entered into.

(b) An amendment, modification, extension, or renewal of a note, contract, or other agreement

does not affect the time at which a partnership debt or obligation under or relating to that note, contract, or other agreement arises and accrues, even as to a claim that relates to the subject matter of the amendment, modification, extension, or renewal.

This subdivision does not affect any law, rule, or period pertaining to any statute of limitations or statute of repose.

Sec. 8. Minnesota Statutes 1994, section 323.44, is amended by adding a subdivision to read:

Subd. 8. [LEGAL STATUS.] For purposes of holding title to or conveying an interest in real or personal property and for all other purposes except as otherwise provided in this chapter, a partnership formed under this chapter remains the same entity:

(1) whether the partnership obtains the status of a limited liability partnership under subdivision 1, paragraph (a);

(2) whether the status of the partnership as a limited liability partnership terminates by reason of expiration of registration under subdivision 1, paragraph (b), or by reason of voluntary withdrawal of status under subdivision 6;

(3) during dissolution of the partnership; and

(4) regardless of whether the words "a limited liability partnership," "a professional limited liability partnership," "a general partnership," or the designation "L.L.P.," "LLP," "P.L.L.P.," or "PLLP" are used in an instrument conveying an interest in real or personal property to or from the partnership or in any other writing.

Sec. 9. Minnesota Statutes 1994, section 323.45, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENTS; PROHIBITIONS.] The name of a limited liability partnership must meet all of the requirements of section 302A.115, subdivision 1, except that the acceptable words required by section 302A.115, subdivision 2, are "~~limited liability partnership~~" "Limited Liability Partnership" or the abbreviation "~~L.L.P.~~" "LLP."

Sec. 10. [EFFECTIVE DATE; APPLICATION.]

Section 7 is effective the day following final enactment and applies retroactively to all notes, contracts, other agreements, amendments, modifications, extensions, and renewals entered into before, on, or after the effective date."

Delete the title and insert:

"A bill for an act relating to limited liability organizations; modifying name requirements; eliminating a filing requirement; clarifying when debts arise or accrue for limited liability partnerships; amending Minnesota Statutes 1994, sections 319A.02, subdivision 7; 319A.07; 319A.08; 322A.02; 322A.72; 322B.12, subdivision 1; 323.14, by adding a subdivision; 323.44, by adding a subdivision; and 323.45, subdivision 1."

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

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

**H.F. No. 228:** A bill for an act relating to occupations and professions; board of medical practice; reinstating certain advisory councils.

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 referred**

**S.F. No. 947:** A bill for an act relating to state government; allocating certain appropriations to regional arts councils; amending Minnesota Statutes 1994, section 129D.01; proposing coding for new law in Minnesota Statutes, chapter 129D.

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

Page 2, line 6, delete "organizations" and insert "organization"

Page 2, line 9, delete "shall" and insert "must"

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

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

**S.F. No. 163:** A bill for an act relating to crimes; exempting the crime victim and witness advisory council from expiration; amending Minnesota Statutes 1994, section 611A.71, subdivision 7.

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

Page 1, line 9, reinstate the stricken language

Page 1, lines 10 and 11, delete the new language and insert "1997"

Amend the title as follows:

Page 1, line 2, delete "exempting" and insert "changing expiration for"

Page 1, line 3, delete "from expiration"

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

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

**S.F. No. 900:** A bill for an act relating to human services; defining interpretive guidelines; changing licensing requirements and reconsideration for foster care; assessing fines; adding provisions for drop-in child care programs; changing a definition; adding provisions for the Minnesota family preservation act; expanding eligibility for Indian child welfare grants; amending Minnesota Statutes 1994, sections 14.03, subdivision 3; 245A.02, by adding a subdivision; 245A.03, subdivision 2a; 245A.04, subdivisions 3, 3b, 7, and 9; 245A.06, subdivisions 2 and 4, and by adding a subdivision; 245A.07, subdivision 3; 245A.09, by adding subdivisions; 245A.14, subdivision 6; 256.12, subdivision 14; 256.8711; 256D.02, subdivision 5; 256F.01; 256F.02; 256F.03, subdivision 5, and by adding a subdivision; 256F.04, subdivisions 1 and 2; 256F.05, subdivisions 2, 3, 4, 5, 7, 8, and by adding a subdivision; 256F.06, subdivisions 1, 2, and 4; 257.3571, subdivision 1; 257.3572; and 257.3577, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 245A; repealing Minnesota Statutes 1994, sections 256F.05, subdivisions 2a and 4a; and 256F.06, subdivision 3.

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

Page 2, line 26, delete "13" and insert "12"

Page 17, delete section 16

Page 17, line 29, delete "12" and insert "11"

Page 17, line 32, delete "establish procedures" and insert "adopt rules"

Page 17, line 36, delete "13" and insert "12"

Page 39, line 26, delete "20" and insert "19"

Page 39, line 28, delete "21" and insert "20"

Page 39, line 29, delete "23 to 37" and insert "22 to 36"

Renumber the sections in sequence

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

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

**S.F. No. 693:** A bill for an act relating to agriculture; changing limits for participation in certain rural finance authority loan programs; changing certain restrictions; providing for development of best management practices for feedlots; changing requirements for animal feedlot permits; prohibiting certain unfair practices; allowing composting of sheep carcasses; changing valuation of certain property for tax purposes; creating income tax credits; appropriating money; amending Minnesota Statutes 1994, sections 17.138, by adding a subdivision; 35.82, subdivision 2; 41B.03, subdivision 1; 41B.043, subdivisions 1b and 2; 41B.045, subdivision 2; 116.07, subdivision 7; 273.11, by adding a subdivision; 290.06, by adding a subdivision; and Laws 1994, chapter 619, section 11; proposing coding for new law in Minnesota Statutes, chapter 31B.

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

Pages 1 and 2, delete section 1

Page 2, line 34, after the period, insert "Loans under this program must not be included in the lifetime limitation calculated under section 41B.03, subdivision 1."

Page 3, line 1, strike "1994 AND 1995" and insert "1996 AND 1997"

Page 3, line 3, strike "1994 and 1995" and insert "1996 and 1997"

Page 3, line 19, after "commissioner" insert "of the pollution control agency"

Page 3, lines 20 and 21, delete "of the pollution control agency"

Page 3, line 34, after the period, insert "A county board that has been delegated administrative responsibility under this section may, by resolution, elect to assume all enforcement duties of the feedlot permit program and enforce program requirements under section 394.37. The county board must provide written notification to the commissioner and the commissioner of natural resources of the action. After receipt of the notice by the commissioners, employees of the agency or the department of natural resources may not take enforcement action under this subdivision unless requested by the county."

Page 6, delete article 3

Page 8, after line 6, insert:

"(e) The board shall develop best management practices for dead animal disposal and publish them for distribution to livestock producers in the state.

#### ARTICLE 4

#### SEWAGE TREATMENT SYSTEMS

Section 1. Minnesota Statutes 1994, section 115.55, subdivision 2, is amended to read:

Subd. 2. [LOCAL ORDINANCES.] (a) Any ordinance adopted by a local unit of government to regulate individual sewage treatment systems must be in compliance with the individual sewage treatment system rules by January 1, 1996 1998.

(b) A copy of each ordinance adopted under this subdivision must be submitted to the commissioner upon adoption.

Sec. 2. Minnesota Statutes 1994, section 115.56, subdivision 2, is amended to read:

Subd. 2. [LICENSE REQUIRED.] (a) Except as provided in paragraph (b), after March 31,

1996, a person may not design, install, maintain, pump, or inspect an individual sewage treatment system without a license issued by the commissioner.

(b) A license is not required for a person who complies with the applicable requirements if the person is:

(1) a qualified employee of state or local government who has passed the examination described in paragraph (d) or a similar examination;

(2) an individual who constructs an individual sewage treatment system on land that is owned or leased by the individual and functions solely as the individual's dwelling or seasonal dwelling;  
or

(3) a farmer who pumps and disposes of sewage waste from individual sewage treatment systems, holding tanks, and privies on land that is owned or leased by the farmer; or

(4) an individual who performs labor or services for a person licensed under this section in connection with the design, installation, maintenance, pumping, or inspection of an individual sewage treatment system at the direction and under the personal supervision of a person licensed under this section.

A person constructing an individual sewage treatment system under clause (2) must consult with a site evaluator or designer before beginning construction. In addition, the system must be inspected before being covered and a compliance report must be provided to the local unit of government after the inspection.

(c) The commissioner, in conjunction with the University of Minnesota extension service or another higher education institution, shall ensure adequate training exists for individual sewage treatment system professionals.

(d) The commissioner shall conduct examinations to test the knowledge of applicants for licensing and shall issue documentation of licensing.

(e) Licenses may be issued only upon successful completion of the required examination and submission of proof of sufficient experience, proof of general liability insurance, and a corporate surety bond in the amount of at least \$10,000.

(f) Notwithstanding paragraph (e), the examination and proof of experience are not required for an individual sewage treatment system professional who, on the effective date of the rules adopted under subdivision 1, holds a certification attained by examination and experience under a voluntary certification program administered by the agency.

(g) Local units of government may not require additional local licenses for individual sewage treatment system professionals."

Page 8, delete section 1 and insert:

"Section 1. [272.027] [AGRICULTURAL BUILDINGS; NEW CONSTRUCTION EXEMPTION.]

Subdivision 1. [QUALIFIED PROPERTY.] (a) As used in this section, "qualified property" means buildings and structures that are classified as farm buildings and structures under section 273.13, subdivision 23, not including the farmhouse and garage, that constitute new construction.

(b) "New construction" means new buildings and structures and includes new buildings and structures that are constructed as additions to existing buildings and structures.

Subd. 2. [SCOPE OF EXEMPTION.] A portion of the market value of qualified property is exempt from taxation for a period of up to five years. If property ceases to be qualified property at any time during that period, the full amount of the market value of the property will be subject to taxation beginning with the first assessment year after the property ceases to be qualified property. The portion of the market value that is exempt for each assessment year following substantial completion of the new construction is as follows:

- (1) for the first year, 75 percent;
- (2) for the second year, 60 percent;
- (3) for the third year, 45 percent;
- (4) for the fourth year, 30 percent; and
- (5) for the fifth year, 15 percent.

If the exemption under this section is for new construction that constitutes complete replacement of an existing building or structure, the exemption may not reduce the market value of the property below its market value before commencement of the new construction.

Subd. 3. [APPLICATIONS.] The owner of property for which an exemption is sought under this section shall file an application with the assessor by January 2 of the assessment year following substantial completion of the new construction. The commissioner of revenue shall provide forms for the application, which must require the information necessary to determine whether property is eligible for the exemption."

Page 9, after line 27, insert:

"Sec. 3. [EFFECTIVE DATE.]

Section 1 is effective for taxes levied in 1996, payable in 1997, and thereafter. Section 2 is effective for taxable years beginning after December 31, 1994."

Renumber the articles in sequence

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after "permits" insert "and sewage treatment licenses"

Page 1, line 7, delete "prohibiting certain unfair practices;"

Page 1, line 9, after "creating" insert "property tax exemptions and"

Page 1, lines 12 and 13, delete "41B.03, subdivision 1;"

Page 1, line 14, after the first semicolon, insert "115.55, subdivision 2; 115.56, subdivision 2;" and delete "273.11, by"

Page 1, line 15, delete everything before "290.06,"

Page 1, line 17, delete "31B" and insert "272"

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

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

**S.F. No. 1043:** A bill for an act relating to agriculture; modifying provisions related to farmed cervidae; amending Minnesota Statutes 1994, sections 17.451, subdivision 2; and 17.452, subdivisions 10 and 12.

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

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



**S.F. No. 1292:** A bill for an act relating to agriculture; establishing a pilot dairy education and technology transfer program; appropriating money.

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

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

**S.F. No. 734:** A bill for an act relating to telecommunications; regulating the 911 system; imposing requirements on private switch telephone service; imposing a civil penalty; amending Minnesota Statutes 1994, sections 403.02, by adding subdivisions; 403.04; and 403.09.

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

Page 1, line 23, after "services" insert "with direct inward dial capabilities"

Page 2, line 36, delete everything after "call" and insert "within one year of"

Page 3, line 1, delete ", whichever"

Page 3, line 2, delete "is earlier"

Page 3, line 12, delete everything after "call" and insert "within one year of"

Page 3, line 13, delete "1998, or by" and delete the second comma

Page 3, line 14, delete "whichever is earlier"

Page 3, line 23, delete everything after "device"

Page 3, delete line 24

Page 3, line 25, delete everything before the period

Page 4, delete lines 8 to 19 and insert:

"Subd. 9. [WAIVER.] The department of administration may grant waivers to all or part of the requirements of subdivisions 3 to 8 based on technical, financial, or nature of service considerations. The department may adopt rules to implement this subdivision."

Pages 4 and 5, delete section 4

Re-number the sections in sequence

Amend the title as follows:

Page 1, line 6, delete everything after the first semicolon and insert "and 403.04."

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

**Mr. Spear from the Committee on Crime Prevention, to which was referred**

**S.F. No. 1054:** A bill for an act relating to juveniles; clarifying jurisdiction, procedures, and dispositions; directing that rules be adopted; providing for educational programs and studies; establishing youth service centers and pilot projects; providing direction to courts for secure placement dispositions; authorizing secure treatment program administrators to make certain decisions regarding juveniles; appropriating money; amending Minnesota Statutes 1994, sections 120.17, subdivisions 5a, 6, and 7; 120.181; 124.18, by adding a subdivision; 124.32, subdivision 6; 242.31, subdivision 1; 260.115, subdivision 1; 260.125; 260.126, subdivision 5; 260.131, subdivision 4; 260.181, subdivision 4; 260.185, subdivision 6, and by adding subdivisions; 260.193, subdivision 4; 260.215, subdivision 1; 260.291, subdivision 1; 609.055, subdivision 2; and 641.14; proposing coding for new law in Minnesota Statutes, chapters 120; and 260; repealing Minnesota Statutes 1994, section 121.166.

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

Page 16, line 23, delete "A" and insert "An adjudicated"

Page 16, line 26, delete "facility and" and insert "secure portion of the facility"

Page 16, delete line 27

Page 16, line 28, delete everything before the period

Page 16, line 29, delete "these decisions" and insert "any movement of juveniles from secure portions of facilities. However, the court may, in its discretion, order that the juveniles be moved back to secure portions of the facility"

Page 16, line 35, delete "shall" and insert "may"

Page 17, line 22, before "A" insert "Prior to August 1, 1997,"

Page 17, line 25, delete the new language

Page 17, delete line 26

Page 17, line 27, delete the new language

Page 18, line 4, after "(b)" insert "After August 1, 1997, a court may not place a preadjudicated delinquent, an adjudicated delinquent, or a convicted extended jurisdiction juvenile in a residential or detention facility outside Minnesota unless the court determines that the specialized programmatic needs of the juvenile are not available in a facility within Minnesota and the out-of-state facility has been certified by the commissioner of corrections under paragraph (a), clauses (1) and (2). For purposes of this subdivision, "specialized programmatic needs" do not include concerns about security."

(c)"

Page 18, line 8, strike "(c)" and insert "(d)"

Page 18, line 26, after "169.121" insert "(drivers under the influence of alcohol or controlled substance)" and after "169.129" insert "(aggravated driving while intoxicated)"

Page 18, line 27, after "misdemeanor" insert "or gross misdemeanor"

Page 19, lines 25 and 35, delete "action" and insert "prosecution"

Page 20, after line 18, insert:

"Sec. 22. Minnesota Statutes 1994, section 611A.19, subdivision 1, is amended to read:

Subdivision 1. [TESTING ON REQUEST OF VICTIM.] (a) The sentencing court ~~may~~ shall use an order requiring a person, including adjudicated juveniles, convicted of a violent crime, as defined in section 609.152, or a juvenile adjudicated delinquent for violating section 609.342, 609.343, 609.344, or 609.345, to submit to testing to determine the presence of human immunodeficiency virus (HIV) antibody if:

(1) the prosecutor moves for the test order in camera;

(2) the victim requests the test; ~~and~~ or

(3) evidence exists that the broken skin or mucous membrane of the victim was exposed to or had contact with the offender's semen or blood during commission of the crime in a manner which has been demonstrated epidemiologically to transmit the HIV virus.

(b) If the court grants the prosecutor's motion, the court shall order that the test be performed by an appropriate health professional who is trained to provide the counseling described in section 144.763, and that no reference to the test, the motion requesting the test, the test order, or the test results may appear in the criminal record or be maintained in any record of the court or court services."

Page 20, delete line 36 and insert:

"(iii) the minor is 16 or 17 years old and has been indicted for murder in the first degree;"

Page 21, line 1, delete the new language and strike "and"

Page 21, line 2, before the period, insert "; and

(3) a minor under 18 years old and an extended jurisdiction juvenile 18 years old or older who is alleged to have violated the conditions of the stay of execution"

Page 21, line 28, delete everything after the period

Page 21, delete lines 29 to 36

Page 22, delete lines 1 and 2

Page 24, line 8, before the period, insert "to determine whether the parts are consistent with sound policy"

Page 24, line 15, delete "rule" and insert "rulemaking process"

Page 24, line 17, delete "CONTINUED FUNDING" and insert "LICENSING" and delete "Facilities" and insert "The commissioners of corrections and human services may not license facilities"

Page 24, line 18, delete "shall not be funded"

Page 24, line 31, after "juveniles" insert "convicted as extended jurisdiction juveniles and"

Page 26, line 11, delete "25" and insert "26"

Page 26, line 13, delete "26" and insert "27"

Page 26, line 15, delete "29" and insert "30"

Page 26, line 19, delete "27" and insert "28"

Page 26, line 23, delete "28" and insert "29"

Page 26, delete lines 24 to 32 and insert:

"Subd. 5. [EDUCATION AND HUMAN SERVICES.] \$..... is appropriated to the commissioners of education and human services for grants to family services collaboratives and mental health collaboratives to establish youth service center pilot projects for juveniles under the jurisdiction of the juvenile court. The centers may provide medical, educational, job-related, mental health, social services, and programs. Six pilot projects shall be developed with at least four located in the metropolitan area. A written report, detailing the impact of the projects, shall be presented to the legislature by January 1, 1997."

Page 26, line 33, before "\$....." insert "Subd. 6. [EDUCATION.]"

Page 26, line 36, delete "6" and insert "7"

Page 27, after line 5, insert:

"Sec. 34. [EFFECTIVE DATE.]

Sections 1 to 8, 10 to 23, 30, 32, and 33 are effective July 1, 1995. Sections 9, 24 to 29, and 31 are effective the day following final enactment."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after the semicolon, insert "requiring the state to pay the costs of certain educational programs;"

Page 1, line 7, after the semicolon, insert "restricting out-of-state placements of juveniles;"

Page 1, line 9, after the first semicolon, insert "requiring HIV testing of certain juveniles;"

Page 1, line 18, after the first semicolon, insert "611A.19, subdivision 1;"

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

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

**H.F. No. 365** for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
365	457				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 365 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 365 and insert the language after the enacting clause of S.F. No. 457; further, delete the title of H.F. No. 365 and insert the title of S.F. No. 457.

And when so amended H.F. No. 365 will be identical to S.F. No. 457, and further recommends that H.F. No. 365 be given its second reading and substituted for S.F. No. 457, and that the Senate File be indefinitely postponed.

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

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

**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; repealing the regulated all-payer option; modifying universal coverage and insurance reform provisions; revising the research and data initiatives; expanding eligibility for the MinnesotaCare program; creating the prescription drug purchasing authority; establishing a drug purchasing benefit program for senior citizens; extending the health care commission and regional coordinating boards; making technical changes; reducing tax deductions for the voluntarily uninsured; providing penalties; 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; 62D.181, subdivisions 2, 3, 6, and 9; 62E.141; 62H.04; 62H.08; 62J.017; 62J.04, subdivisions 1a and 3; 62J.05, subdivisions 2 and 9; 62J.06; 62J.09, subdivisions 1, 2, 6, 8, and by adding a subdivision; 62J.152, subdivision 5; 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; 62M.02, subdivision 12; 62M.07; 62M.09, subdivision 5; 62M.10, by adding a subdivision; 62N.02, by adding subdivisions; 62N.04; 62N.10, by adding a subdivision; 62N.11, subdivision 1; 62N.13; 62N.14, subdivision 3; 62P.05, subdivision 4, and by adding a subdivision; 62Q.01, subdivisions 2, 3, 4, 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; 62Q.30; 62Q.41; 72A.20, by adding subdivisions; 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, subdivisions 3, 4, and 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, sections 5, subdivision 1; and 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.152, subdivision 6; 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; 62N.34; 62P.01; 62P.02; 62P.03; 62P.07; 62P.09; 62P.11; 62P.13; 62P.15; 62P.17; 62P.19; 62P.21; 62P.23; 62P.25; 62P.27; 62P.29; 62P.31; 62P.33; 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.

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

Page 11, line 25, after the period, insert "In adopting rules under this subdivision, in addition to the statement of need and reasonableness required by section 14.131, the commissioner shall prepare a written regulatory analysis of each proposed rule. The regulatory analysis must contain:

(1) a description of the classes of persons who will be affected by the proposed rule, including classes that will bear the costs of the proposed rule and classes that will benefit from the proposed rule;

(2) a description of the probable short-term and long-term quantitative and qualitative impact of the proposed rule, economic or otherwise, upon affected classes of person;

(3) the probable costs to the department of the implementation and enforcement of the proposed rule;

(4) a comparison of the probable costs and benefits of the proposed rule to the probable costs and benefits of inaction;

(5) a determination of whether there are less costly methods or less intrusive methods for achieving the purpose of the proposed rule; and

(6) a description of any alternative methods for achieving the purpose of the proposed rules that were seriously considered by the agency and the reasons why they were rejected in favor of the proposed rule."

Page 33, line 35, after the period, insert "The commissioners shall also consider the exclusions recommended by the comprehensive health association under section 62E.10 and the health coverage reinsurance association under section 62L.13."

Page 34, after line 23, insert:

"Subd. 4. [STANDARD EXCLUSIONS ADDITIONS AND DELETIONS.] After January 1, 1996, the commissioner of health may make additions and deletions to the standard exclusions subject to the requirements of chapter 14."

Page 35, delete section 26

Page 35, line 21, delete "28" and insert "27"

Page 89, lines 35 and 36, delete the new language

Page 90, delete lines 1 to 14

Page 90, line 15, strike "(c)" and strike "paragraphs (a) and (b)" and insert "paragraph (a)"

Renumber the sections in sequence

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

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

**S.F. No. 467:** A bill for an act relating to metropolitan government; providing for coordination and consolidation of public safety radio communications systems; providing governance and finance of the state and regional elements of a regionwide public safety radio communication system; extending the public safety channel moratorium; authorizing the use of 911 emergency telephone service fees for costs of the regionwide public safety radio communication system; authorizing the issuance of bonds by the metropolitan council; proposing coding for new law in Minnesota Statutes, chapter 473.

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

Page 21, after line 33, insert:

"Sec. 16. [SUNSET PROVISIONS.]

The metropolitan radio board is abolished effective July 1, 1999. Effective on that date, its duties and responsibilities are transferred to the metropolitan council or an appropriate state agency, to be designated by statutory enactment based on the reports submitted by the metropolitan council under section 6, subdivision 3, of this act. The designated entity is the successor to all the property, interests, obligations, and rules of the metropolitan radio board."

Page 21, line 35, delete "Sections 1 to 15 apply" and insert "This act applies"

Page 22, line 2, delete "16" and insert "15, and 17"

Page 22, line 3, after the period, insert "Section 16 is effective July 1, 1999."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 11, after the semicolon, insert "abolishing the metropolitan radio board on a certain date and transferring its duties and responsibilities;"

And when so amended the bill do pass and be re-referred to the Committee on Jobs, Energy and Community Development. Amendments adopted. Report adopted.

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

**S.F. No. 1103:** A bill for an act relating to children's services; establishing the department of children, families, and learning; making related changes; proposing coding for new law as Minnesota Statutes, chapter 119A; repealing Minnesota Statutes 1994, sections 121.02, subdivisions 1, 2a, and 3; 121.03; and 121.04, subdivision 2.

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

Page 2, line 3, delete "and"

Page 2, line 6, before the period, insert ";

(6) increasing the capacity of communities to respond to the whole child by improving the ability of families to gain access to services;

(7) encouraging all members of a community to nurture all the children in the community; and

(8) supporting parents in their dual roles as breadwinners and parents"

Page 6, line 13, delete "and"

Page 6, line 15, before the period, insert ";

(38) the children's subcommittee of the state advisory council on mental health; and

(39) the children's portion of the federal mental health block grant"

Page 7, line 7, delete "and"

Page 7, line 9, before the period, insert "; and"

(14) the youth intervention program under section 268.30"

Page 8, line 16, after "client" insert "protections," and after "process" insert a comma

Page 8, line 17, after "of" insert "clients, parents," and after "cultures" insert a comma

Page 8, line 27, after the comma, insert "after consultation with the partnership planning team and,"

Page 9, line 3, after "(2)" insert "document consultation by counties and schools with community action agencies and private industry councils;

(3)"

Page 9, line 16, delete "(3)" and insert "(4)"

Page 9, line 19, delete "(4)" and insert "(5)"

Page 9, line 21, after the period, insert "The agreement must state that the funds that are being locally consolidated will be used collectively only to achieve the objectives of the separate programs being locally consolidated. Funds being locally consolidated may not be used for purposes other than the collective purposes identified for the separate programs being locally consolidated."

Page 10, line 6, after "PARTNERSHIP" insert "PLANNING"

Page 10, line 10, after "partnership" insert "planning" and delete everything after "team"

Page 10, line 11, delete "1996" and after the period, insert "At least eight members must be parents and must represent a broad cross-section of income groups, racial and ethnic groups, and ages of children." and after "partnership" insert "planning"

Page 10, line 12, before "communities" insert "community-based organizations serving primarily"

Page 10, line 13, before "community-based" insert "community action agencies, private industry councils, and other" and delete ", and other affected state agencies"

Page 10, line 16, delete "labor, management, and physical location issues" and insert "structure of the department"

Page 10, line 18, after "(3)" insert "the appropriateness of specific applications for" and after "consolidation" insert "and the consistency of those applications with the purposes of chapter 119A"

Page 10, line 19, delete "federal"

Page 10, line 21, before the period, insert "and funding consolidation"

Page 11, line 12, before the first "and" insert "community action agencies, private industry councils,"

Page 12, line 19, delete "13" and insert "14"

Page 12, after line 24, insert:

"Sec. 10. [REPORT ON STRUCTURE OF AGENCIES.]

The commissioner of administration in separate consultation with the commissioners of the

departments of human services, health, economic security, corrections, public safety, housing finance, and the office of strategic and long-range planning shall prepare a report by February 15, 1996, examining the organization of programs remaining in those departments after transfer of the programs identified in this bill, and identifying alternative organizational structures that may be more effective and efficient than the organization prior to the transfer."

Page 12, delete lines 26 to 34

Page 14, line 17, delete "3" and insert "2"

Renumber the subdivisions in sequence

Page 15, line 11, delete "10" and insert "11"

Page 15, line 12, delete "11" and insert "12"

Renumber the sections in sequence

And when so amended the bill do pass and be re-referred to the Committee on Jobs, Energy and Community Development. Mr. Samuelson questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

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

**S.F. No. 273:** A bill for an act relating to water; providing for the classification of water supply systems and wastewater treatment facilities and certification of operators by the department of health and the pollution control agency; appropriating money; amending Minnesota Statutes 1994, sections 115.71, subdivisions 1, 4, 8, 10, and by adding subdivisions; 115.72; 115.73; 115.75; 115.76; 115.77; and 144.99, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 115; repealing Minnesota Statutes 1994, sections 115.71, subdivisions 2, 3, and 3a; 115.74; 115.78; 115.79; 115.80; and 115.82.

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 115.71, subdivision 1, is amended to read:

Subdivision 1. [APPLICABILITY.] As used in sections 115.71 to ~~115.82~~ 115.77, the terms defined in this section have the meanings given them.

Sec. 2. Minnesota Statutes 1994, section 115.71, subdivision 4, is amended to read:

Subd. 4. [COUNCIL.] "Council" means the water and wastewater treatment operators ~~certification~~ advisory council established by section ~~115.74~~ 115.741.

Sec. 3. Minnesota Statutes 1994, section 115.71, is amended by adding a subdivision to read:

Subd. 4a. [POPULATION EQUIVALENT.] "Population equivalent" means a number determined by dividing a daily pound load of five-day, 20-degree-centigrade carbonaceous biochemical oxygen demand (CBOD) of raw sewage by 0.17.

Sec. 4. Minnesota Statutes 1994, section 115.71, subdivision 8, is amended to read:

Subd. 8. [WASTEWATER TREATMENT FACILITY OPERATOR.] "Wastewater treatment facility operator" means a person who has direct responsibility for the operation of or operates a wastewater treatment facility.

Sec. 5. Minnesota Statutes 1994, section 115.71, is amended by adding a subdivision to read:

Subd. 9a. [WATER SUPPLY SYSTEM.] "Water supply system" means a public system providing pumped water for human consumption, if the system has at least 15 service connections or regularly serves at least 25 of the same persons over six months per year.



Sec. 6. Minnesota Statutes 1994, section 115.71, subdivision 10, is amended to read:

Subd. 10. [WATER SUPPLY SYSTEM OPERATOR.] "Water supply system operator" means a person who has direct responsibility for the operation of or operates a community water supply system or such parts of the system as would affect the quality and safety of the water.

Sec. 7. Minnesota Statutes 1994, section 115.72, is amended to read:

115.72 [CLASSIFICATION RULES.]

Subdivision 1. [COMMISSIONER OF HEALTH.] The commissioner of health shall ~~classify~~ adopt rules relating to the classification of all water supply systems actually used or intended for use by the public or by any considerable number of persons. The classes shall be based on the degree of hazard to public health ~~together with~~, the type and loading of plant, and the population affected. The rules may be adopted jointly with the pollution control agency.

Subd. 2. [POLLUTION CONTROL AGENCY.] ~~The commissioner of the pollution control agency shall classify~~ adopt rules relating to the classification of all wastewater treatment facilities actually used or intended for use by the public or by any considerable number of persons. The classes shall be based on the degree of hazard to public health ~~together with~~, the type and of unit process, the loading of the plant, and the population served or the average population equivalent of the sewage handled. The rules may be adopted jointly with the department of health.

Sec. 8. Minnesota Statutes 1994, section 115.73, is amended to read:

115.73 [CERTIFICATION REQUIRED.]

~~The commissioners of health and the pollution control agency shall certify water supply system operators and wastewater treatment facility operators, respectively, as to their qualifications to supervise the operation of water supply systems and wastewater treatment facilities based upon the recommendation of the council. A person may not operate a water supply system or wastewater treatment facility unless the system or facility maintains at least one person that:~~

- (1) is certified in a class equal to or higher than the class of the system or facility; and
- (2) has full and active responsibility for the daily on-site operation of the system or facility, or of a portion of the system or facility if an additional operator or operators with appropriate certification are responsible for the remaining portions.

Sec. 9. [115.733] [CERTIFICATION RULES.]

The commissioner of health and the agency shall adopt rules relating to the certification qualifications for each classification of water supply system operators and wastewater facility operators, respectively. The rules must provide for at least one examination for each class of certificate to be held each year.

Sec. 10. [115.741] [ADVISORY COUNCIL ON WATER SUPPLY SYSTEMS AND WASTEWATER TREATMENT FACILITIES.]

Subdivision 1. [PURPOSE; MEMBERSHIP.] The advisory council on water supply systems and wastewater treatment facilities shall advise the commissioners of health and the pollution control agency regarding classification of water supply systems and wastewater treatment facilities, qualifications and competency evaluation of water supply system operators and wastewater treatment facility operators, and additional laws, rules, and procedures that may be desirable for regulating the operation of water supply systems and of wastewater treatment facilities. The advisory council is composed of 11 voting members, of whom:

- (1) one member must be from the department of health, division of environmental health, appointed by the commissioner of health;
- (2) one member must be from the pollution control agency, water quality division, appointed by the commissioner of the pollution control agency;
- (3) three members must be certified water supply system operators, appointed by the commissioner of health;

(4) three members must be certified wastewater treatment facility operators, appointed by the commissioner of the pollution control agency;

(5) one member must be a representative from an organization representing municipalities, appointed by the commissioner of health with the concurrence of the commissioner of the pollution control agency; and

(6) two members must be members of the public who are not associated with water supply systems or wastewater treatment facilities. One must be appointed by the commissioner of health and the other by the commissioner of the pollution control agency.

Subd. 2. [GEOGRAPHIC REPRESENTATION.] At least one of the water supply system operators and at least one of the wastewater treatment facility operators must be from outside the seven-county metropolitan area and one wastewater operator must come from the metropolitan council wastewater services.

Subd. 3. [TERMS; COMPENSATION.] The terms of the appointed members and the compensation and removal of all members are governed by section 15.059. The council expires June 30, 2000.

Subd. 4. [OFFICERS.] When new members are appointed to the council, a chair must be elected at the next council meeting. The department of health representative shall serve as secretary of the council.

Sec. 11. Minnesota Statutes 1994, section 115.75, is amended to read:

**115.75 [OPERATOR CERTIFICATES.]**

Subdivision 1. The commissioners of health and the pollution control agency shall upon recommendation of the council issue certificates to water supply system operators and wastewater treatment facility operators, respectively, attesting to the competency of the operators who meet the requirements of the rules adopted under section 115.733. The Each certificate shall must indicate the classification of the system or facility which the operator is qualified to supervise operate.

Subd. 2. Certificates shall must be prominently displayed in the office of the operator or other appropriate place on the premises of the plant or treatment facility.

Subd. 3. Certificates shall continue in effect are valid for a period of three years unless revoked or suspended by the commissioner of health or the commissioner of the pollution control agency prior to that time. Certificates may be renewed upon application to the commissioner of health or the appropriate commissioner of the pollution control agency.

Subd. 4. The commissioners may revoke the certificate of any operator under their respective jurisdictions following a hearing before the commissioner of health or the commissioner of the pollution control agency or a representative designated by the commissioners of health or the pollution control agency, when it is found that the operator has practiced fraud, or deception; that the operator was guilty of gross negligence or misconduct in the performance of the operator's duties; or that the operator is incompetent or unable properly to perform those duties. [DENIAL, REFUSAL TO RENEW, REVOCATION, AND SUSPENSION.] The commissioner of health and the commissioner of the pollution control agency may deny, refuse to renew, revoke, or suspend the certification of a water supply system operator or a wastewater treatment facility operator, respectively, in accordance with section 144.99, subdivisions 8 to 10.

Subd. 5. The certificates of operators who terminate their employment at a water supply system or wastewater treatment facility will remain valid for the unexpired term of the certificate. Operators whose certificates expire under this section may be issued new certificates of a like classification provided appropriate proof of competency is presented to the council submitted to the appropriate commissioner. Successful completion of an examination may be required at the discretion of the council.

Subd. 6. [RECORDS.] The commissioner of health shall maintain records relating to certification of water supply system operators, and the commissioner of the pollution control agency shall maintain records relating to certification of wastewater treatment facility operators.

Sec. 12. Minnesota Statutes 1994, section 115.76, is amended to read:

115.76 [~~CERTIFICATES GIVEN WITHOUT EXAMINATION~~ RECIPROCITY.]

The commissioner of health, in the case of water supply system operators, and the commissioner of the pollution control agency, in the case of wastewater treatment facility operators, upon application therefor, ~~and recommendation of the council,~~ may issue certificates without examination, in a comparable classification to any person who holds a certificate in any state, territory, or possession of the United States or any country, providing the requirements for certification of operators under which the person's certificate was issued do not conflict with the provisions of sections 115.71 to ~~115.82~~ 115.77 and are of a standard not lower than that specified by rules adopted under sections 115.71 to ~~115.82~~ 115.77.

Sec. 13. Minnesota Statutes 1994, section 115.77, is amended to read:

115.77 [FEES.]

Subdivision 1. [~~ESTABLISHMENT OF FEE SCHEDULE~~ FEES ESTABLISHED.] ~~The council with the advice and approval of the state department of health and the Minnesota pollution control agency shall establish a schedule of fees for the filing of applications and the issuance of certificates by an appropriate rule promulgated in accordance with applicable state laws. The fees so established shall be reasonable and shall be related to the actual cost of the certification program. The following fees are established for the purposes indicated:~~

- (1) application for examination, \$32;
- (2) issuance of certificate, \$23;
- (3) reexamination resulting from failure to pass an examination, \$32;
- (4) renewal of certificate, \$23;
- (5) replacement certificate, \$10; and
- (6) reinstatement or reciprocity certificate, \$40.

Subd. 2. [FEES PAID TO STATE TREASURER.] ~~All fees established pursuant to in subdivision 1 shall must be paid to the state department commissioner of health, in the case of water supply system operators, and to the Minnesota commissioner of the pollution control agency, in the case of wastewater treatment facility operators. The fees received by these agencies shall must be deposited in the state treasury and credited to the special revenue fund.~~

Sec. 14. Minnesota Statutes 1994, section 144.99, subdivision 1, is amended to read:

Subdivision 1. [REMEDIES AVAILABLE.] The provisions of chapters 103I and 157 and sections 115.71 to ~~115.82~~ 115.77; 144.12, subdivision 1, paragraphs (1), (2), (5), (6), (10), (12), (13), (14), and (15); 144.121; 144.35; 144.381 to 144.385; 144.411 to 144.417; 144.491; 144.495; 144.71 to 144.74; 144.871 to 144.878; 144.992; 326.37 to 326.45; 326.57 to 326.785; 327.10 to 327.131; and 327.14 to 327.28 and all rules, orders, stipulation agreements, settlements, compliance agreements, licenses, registrations, certificates, and permits adopted or issued by the department or under any other law now in force or later enacted for the preservation of public health may, in addition to provisions in other statutes, be enforced under this section.

Sec. 15. [CONTINUATION OF RULES.]

Notwithstanding Minnesota Statutes, section 14.05, subdivision 1, the rules adopted under Minnesota Statutes, section 115.79, continue in effect until new rules are adopted under sections 7 and 9.

Sec. 16. [APPROPRIATION.]

\$44,000 is appropriated from the special revenue fund to the commissioner of health and \$82,000 to the commissioner of the pollution control agency for the biennium ending June 30, 1997, for the purposes of sections 1 to 14.

**Sec. 17. [REPEALER.]**

Minnesota Statutes 1994, sections 115.71, subdivisions 2, 3, and 3a; 115.74; 115.78; 115.79; 115.80; and 115.82, are repealed."

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

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

**S.F. No. 1362:** A bill for an act relating to natural resources; providing for coordination of efforts of public and private sectors in the sustainable management, use, development, and protection of Minnesota's forest resources; establishing a forest resources council and regional forest resource committees; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 89A.

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

Page 1, line 18, delete "89A.06" and insert "89A.07"

Page 3, line 2, delete "89A.06" and insert "89A.07"

Page 5, line 6, delete "89A.06" and insert "89A.07"

Page 6, line 5, delete "89A.05" and insert "89A.06"

Page 6, after line 11, insert:

"Sec. 5. [89A.05] [LANDSCAPE-LEVEL FOREST RESOURCE PLANNING AND COORDINATION.]

Subdivision 1. [FRAMEWORK.] The council shall establish a framework that will enable long-range strategic planning and landscape coordination to occur, to the extent possible, across all forested regions of the state and across all ownerships. Such a framework shall include:

(1) the identification of the landscapes within which long-range strategic planning of forest resources can occur. Such landscapes shall be delineated based on broadly defined ecological units and existing classification systems, yet recognize existing political and administrative boundaries and planning processes;

(2) a statement of principles and goals for landscape-based forest resource planning; and

(3) the identification of a general process by which landscape-based forest resource planning can occur. Such a process shall give considerable latitude to design planning processes that fit the unique needs and resources of each landscape; reflect a balanced consideration of the economic, social, and environmental conditions and needs of each landscape; and interface and establish formats that are compatible with other landscape-based forest resource plans.

Subd. 2. [REGIONAL FOREST RESOURCE COMMITTEES.] To foster landscape-based forest resource planning, the council shall establish regional forest resource committees. These regional committees shall:

(1) include representative interests in a particular region that are committed to and involved in landscape planning and coordination activities;

(2) serve as a forum for landowners, managers, and representative interests to discuss landscape forest resource issues;

(3) identify and implement an open and public process whereby landscape-based strategic planning of forest resources can occur;

(4) identify sustainable forest resource goals for the landscape and strategies to achieve those goals; and

(5) provide a regional perspective to the council with respect to council activities.

Subd. 3. [REGIONAL COMMITTEE OFFICERS AND STAFF.] The council chair shall appoint a chair of each regional committee. The council shall ensure regional committees have sufficient staff resources to carry out their mission as defined in this section.

Subd. 4. [REPORT.] Each regional committee shall report to the council its work activities and accomplishments."

Page 6, line 12, delete "89A.05" and insert "89A.06"

Page 7, after line 6, insert:

"Subd. 5. [CITIZEN CONCERNS.] The council shall establish a process whereby individuals witnessing what they believe to be negligent timber harvesting or forest management practices may file a complaint regarding the practices. The council shall also develop a process for handling the complaints."

Page 7, line 7, delete "89A.06" and insert "89A.07"

Page 7, line 17, after the semicolon, insert "and"

Page 7, delete lines 18 to 20

Page 7, line 21, delete "(6)" and insert "(5)"

Page 8, after line 28, insert:

"Sec. 8. [89A.08] [CONTINUING EDUCATION; CERTIFICATION.]

It is the policy of the state to encourage timber harvesters and forest resource professionals to establish voluntary certification and continuing education programs within their respective professions. The council shall, where appropriate, facilitate the development of these programs."

Renumber the sections in sequence

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

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

**S.F. No. 1314:** A bill for an act relating to the environment; modifying provisions relating to the voluntary investigation and cleanup program; creating a pilot program to encourage voluntary compliance with environmental requirements; limiting penalties for facilities that perform audits, report violations, and correct the violations in a timely manner; establishing a recognition program for facilities that voluntarily meet environmental requirements; amending Minnesota Statutes 1994, sections 115B.175, subdivisions 2, 3, and by adding a subdivision; and 115B.178, subdivision 1.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1994, section 115B.03, is amended by adding a subdivision to read:

Subd. 8. [TRUSTEES.] A trustee who is not otherwise a responsible party for a release or threatened release of a hazardous substance from a facility is not a responsible person under this section solely because the facility is among the trust assets or solely because the trustee has the capacity to direct the operation of the facility.

Sec. 2. Minnesota Statutes 1994, section 115B.175, subdivision 2, is amended to read:

Subd. 2. [PARTIAL RESPONSE ACTION PLANS; CRITERIA FOR APPROVAL.] (a) The commissioner may approve a voluntary response action plan submitted under this section that does not require removal or remedy of all releases and threatened releases at an identified area of real property if the commissioner determines that all of the following criteria have been met:

(1) if reuse or development of the property is proposed, the voluntary response action plan provides for all response actions required to carry out the proposed reuse or development in a manner that protects public health and welfare and the environment, based on the location and proposed future use of the property;

(2) the response actions and the activities associated with any reuse or development proposed for the property will not aggravate or contribute to releases or threatened releases that are not required to be removed or remedied under the voluntary response action plan, and will not interfere with or substantially increase the cost of response actions to address the remaining releases or threatened releases; and

(3) the owner of the property agrees to cooperate with the commissioner or other persons acting at the direction of the commissioner in taking response actions necessary to address remaining releases or threatened releases, and to avoid any action that interferes with the response actions.

(b) Under paragraph (a), clause (3), an owner may be required to agree to any or all of the following terms necessary to carry out response actions to address remaining releases or threatened releases:

(1) to provide access to the property to the commissioner and the commissioner's authorized representatives;

(2) to allow the commissioner, or persons acting at the direction of the commissioner, to undertake activities at the property including placement of borings, wells, equipment, and structures on the property; and

(3) to grant easements or other interests in the property to the agency for any of the purposes provided in clause (1) or (2).

(c) An agreement under paragraph (a), clause (3), must apply to and be binding upon the successors and assigns of the owner. The owner shall record the agreement, or a memorandum approved by the commissioner that summarizes the agreement, with the county recorder or registrar of titles of the county where the property is located.

Sec. 3. Minnesota Statutes 1994, section 115B.175, subdivision 3, is amended to read:

Subd. 3. [SUBMISSION AND APPROVAL OF VOLUNTARY RESPONSE ACTION PLANS.] (a) A person shall submit a voluntary response action plan to the commissioner under section 115B.17, subdivision 14. The commissioner may provide assistance to review voluntary response action plans or supervise response action implementation under that subdivision.

(b) A voluntary response action plan submitted for approval of the commissioner must include an investigation report that describes the methods and results of an investigation of the releases and threatened releases at the identified area of real property. The commissioner must not approve the voluntary response action plan unless the commissioner determines that the nature and extent of the releases and threatened releases at the identified area of real property have been adequately identified and evaluated in the investigation report.

(c) Response actions required in a voluntary response action plan under this section must ~~meet the same standards for protection of~~ be protective of public health and welfare and the environment ~~that apply to response actions taken or requested under section 115B.17, subdivision 1 or 2,~~ based on the location and proposed future use of the property.

(d) When the commissioner approves a voluntary response action plan, the commissioner may include in the approval an acknowledgment that, upon certification of completion of the response actions as provided in subdivision 5, the person submitting the plan will receive the protection from liability provided under this section.

Sec. 4. Minnesota Statutes 1994, section 115B.178, subdivision 1, is amended to read:

Subdivision 1. [DETERMINATION.] (a) The commissioner may issue determinations that certain actions proposed to be taken at real property subject to a release or threatened release of a hazardous substance or pollutant or contaminant will not constitute conduct associating the person with the release or threatened release for the purpose of section 115B.03, subdivision 3, clause (d). Proposed actions that may be covered by a determination under this section include response actions approved by the commissioner to address the release or threatened release, actions to improve or develop the real property, loans secured by the real property, or other similar actions. A determination may be subject to terms and conditions deemed reasonable by the commissioner. When a person takes actions in accordance with a determination issued under this subdivision, the actions do not associate the person with the release for the purpose of section 115B.03, subdivision 3, clause (d).

(b) ~~If a person requesting a determination proposes to take response actions at real property,~~ The commissioner may also issue a determination under paragraph (a) that certain actions taken in the past at the real property did not constitute conduct associating the person requesting the determination with the release or threatened release for purposes of section 115B.03, subdivision 3, clause (d). A person requesting a determination under this paragraph shall first conduct an investigation approved by the commissioner that identifies the nature and extent of the release or threatened release. Any such determination shall be limited to the represented facts of the past actions and shall not apply to actions that are not represented or disclosed. The determination may be subject to such other terms and conditions as the commissioner deems reasonable.

Sec. 5. [ENVIRONMENTAL IMPROVEMENT PILOT PROGRAM ESTABLISHED.]

The environmental improvement pilot program is established to promote voluntary compliance with environmental requirements.

Sec. 6. [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] As used in sections 5 to 13, the terms defined in this section have the meanings given.

Subd. 2. [AGENCY.] "Agency" means the pollution control agency.

Subd. 3. [COMMISSIONER.] "Commissioner" means the commissioner of the pollution control agency.

Subd. 4. [ENVIRONMENTAL AUDIT.] "Environmental audit" means a systematic, documented, and objective review by a regulated entity of one or more facility operations and practices related to compliance with one or more environmental requirements and, if deficiencies are found, a plan for corrective action.

Subd. 5. [ENVIRONMENTAL REQUIREMENT.] "Environmental requirement" means a requirement in:

(1) a law administered by the agency, a rule adopted by the agency, a permit or order issued by the agency, an agreement entered into with the agency, or a court order issued pursuant to any of the foregoing; or

(2) an ordinance or other legally binding requirement imposed by a local governmental unit under authority granted by state law relating to environmental protection, including solid and hazardous waste management.

Subd. 6. [FACILITY.] "Facility" means all buildings, equipment, structures, and other stationary items that are located on a single site or on contiguous or adjacent sites and that are owned or operated by the same person.

Subd. 7. [LOCAL GOVERNMENTAL UNIT.] "Local governmental unit" means a county, a statutory or home rule city, a town, a sanitary district, or the metropolitan council.

Subd. 8. [MAJOR FACILITY.] "Major facility" means an industrial or municipal wastewater

discharge major facility as defined in rules of the agency; a feedlot that is permitted for 1,000 or more animal units; a large quantity hazardous waste generator as defined in rules of the agency; a hazardous waste treatment, storage, or disposal facility that is required to have a permit under the federal Resource Conservation and Recovery Act, United States Code, title 42, section 6925; a major stationary air emission source as defined in rules of the agency; an air emission source that emits 50 or more tons per year of any air pollutant regulated under rules of the agency; or an air emission source that emits 75 tons or more per year of all air pollutants regulated under rules of the agency.

Subd. 9. [POLLUTION PREVENTION.] "Pollution prevention" means the elimination or reduction at the source of the use, generation, or release of pollutants.

Subd. 10. [REGULATED ENTITY.] "Regulated entity" means a public or private organization that is subject to environmental requirements.

Subd. 11. [SELF-EVALUATION.] "Self-evaluation" means a systematic, documented, and objective review by a regulated entity of one or more facility operations or practices related to compliance with one or more environmental requirements, based upon an evaluation form prescribed or approved by the commissioner.

Subd. 12. [STATE.] "State" means the pollution control agency, the attorney general, and all local governmental units.

#### Sec. 7. [AUDITS OR SELF-EVALUATIONS.]

Subdivision 1. [QUALIFICATION TO PARTICIPATE IN PROGRAM.] To qualify for participation in the environmental improvement program, a regulated entity must:

- (1) conduct an environmental audit or a self-evaluation;
- (2) for a major facility, prepare a pollution prevention plan and submit progress reports in accordance with Minnesota Statutes, sections 115D.07 to 115D.09;
- (3) for a facility that is not a major facility, include in the audit or self-evaluation an analysis of pollution prevention opportunities at the facility; and
- (4) submit a report in accordance with subdivision 2.

Subd. 2. [REPORT.] A regulated entity must submit a report to the commissioner within 45 days after the date of the final written report of findings for an environmental audit or within 45 days after the completion of a self-evaluation. The report must contain:

- (1) a certification by the owner or operator of the facility that the requirements of subdivision 1, clauses (1) to (3), have been met;
- (2) a disclosure of all violations of environmental requirements that were identified in the environmental audit or self-evaluation and a brief description of proposed actions to correct the violations;
- (3) a commitment signed by the owner or operator of the facility to correct the violations as expeditiously as possible under the circumstances;
- (4) if more than 90 days will be required to correct the violations, a performance schedule that identifies the time that will be needed to correct the violations and a brief statement of the reasons that support the time periods set out in the performance schedule; and
- (5) a description of the steps the owner or operator has taken or will take to prevent recurrence of the violations.

#### Sec. 8. [REVIEW OF PERFORMANCE SCHEDULES.]

(a) A reasonable performance schedule prepared under section 7, subdivision 2, clause (4), must be approved by the commissioner. In reviewing the reasonableness of a performance schedule, the commissioner shall take into account information supplied by the regulated entity,



any public comments, and information developed by agency staff. The decision about whether a performance schedule is reasonable must be based on the following factors:

- (1) the nature of the violations;
- (2) the environmental and public health consequences of the violations;
- (3) the economic circumstances of the facility;
- (4) the availability of equipment and material; and
- (5) the time needed to implement pollution prevention opportunities as an alternative to pollution control approaches to remedying the violations.

Information submitted to the commissioner by a regulated entity relating to the factors in clauses (3) to (5) are nonpublic data under Minnesota Statutes, chapter 13.

(b) In the event of a dispute over approval of the performance schedule, the regulated entity may request a hearing under the procedures in Minnesota Rules, parts 1400.8510 to 1400.8612. A performance schedule may be amended by written agreement between the commissioner and the regulated entity.

#### Sec. 9. [PUBLIC DISCLOSURE.]

The commissioner shall publish quarterly the names and locations of the facilities for which a report has been submitted under section 7, subdivision 2, and, if a performance schedule has been submitted, the proposed time period for completing performance.

#### Sec. 10. [ENFORCEMENT.]

Subdivision 1. [DEFERRED ENFORCEMENT.] The state must defer for at least 90 days any action to enforce an environmental requirement against the owner or operator of a facility if a report that meets the requirements of section 7, subdivision 2, has been submitted to the commissioner. If the report includes a performance schedule, and the performance schedule is approved under section 8, the state must defer enforcement for the term of the approved performance schedule unless the facility fails to meet an interim performance date contained in the schedule.

Subd. 2. [PENALTIES WAIVED.] (a) If, within 90 days after the report required in section 7, subdivision 2, is received by the commissioner or within the time specified in an approved performance schedule, the owner or operator of a facility corrects the violations identified in the audit or self-evaluation and certifies to the commissioner that the violations have been corrected:

(1) the state may not impose any administrative, civil, or criminal penalties against the owner or operator of the facility for the reported violations; and

(2) the petroleum tank release compensation board may not reduce the amount of reimbursement under Minnesota Statutes, section 115C.09, subdivision 3, based on the reported violations, except as provided in paragraph (b).

(b) The petroleum tank release compensation board may reduce the amount of reimbursement under Minnesota Statutes, section 115C.09, subdivision 3, based on violations identified in an environmental audit or self-evaluation that the commissioner determines contributed to a release.

Subd. 3. [EXCEPTIONS.] Notwithstanding subdivisions 1 and 2, the state may at any time bring:

(1) a criminal enforcement action against any person who commits a knowing violation under Minnesota Statutes, section 609.671;

(2) a civil enforcement action, which may include a penalty, under Minnesota Statutes, section 115.071 or 116.072, against the owner or operator of a facility if:

(i) less than one year has elapsed since the final resolution of a notice of violation, an

administrative penalty order, or a civil or criminal lawsuit that resulted in an enforcement action being taken against the owner or operator of a facility for a violation of a requirement that was also shown as having been violated in the report required under section 7, subdivision 2; or

(ii) a violation caused serious harm to public health or the environment; or

(3) an action against the owner or operator of a facility to enjoin an imminent and substantial threat of serious harm to public health or the environment.

Subd. 4. [GOOD FAITH CONSIDERATION.] If the state finds that one of the conditions in subdivision 3 exists, the state must take into account the good faith efforts of the regulated entity to comply with environmental requirements in deciding whether to pursue an enforcement action, whether an enforcement action should be civil or criminal, and what, if any, penalty should be imposed. In determining whether the regulated entity has acted in good faith, the state must consider whether:

(1) when noncompliance was discovered, the regulated entity took corrective action that was timely under the circumstances;

(2) the regulated entity exercised reasonable care in attempting to prevent the violations and ensure compliance with environmental requirements;

(3) the noncompliance resulted in significant economic benefit to the regulated entity;

(4) prior to implementing the audit or self-evaluation program the regulated entity had a history of good faith efforts to comply with the environmental requirements; and

(5) the regulated entity demonstrated good faith efforts to achieve compliance since implementing an environmental auditing or self-evaluation program.

Subd. 5. [VIOLATIONS DISCOVERED BY THE STATE.] Nothing in this act precludes the state from taking any enforcement action the state is authorized to take with respect to violations discovered by the state prior to the time a facility has submitted to the commissioner a report that meets the requirements of section 7, subdivision 2.

#### Sec. 11. [GREEN STAR EMBLEM.]

A regulated entity that qualifies for participation in the environmental improvement program under section 7 may display at a facility a "green star" emblem designed by the commissioner if the regulated entity certifies that all violations that were identified in the audit or self-evaluation of the facility were corrected within 90 days or within the time specified in an approved performance schedule or certifies that no violations were identified in the audit or self-evaluation. The emblem may be displayed for a period of two years from the time that the regulated entity submits the certification to the commissioner. A facility that is subject to enforcement under section 9, subdivision 3, may not display the emblem.

#### Sec. 12. [ACCESS TO DOCUMENTS.]

Subdivision 1. [PUBLIC ACCESS.] The state may not request, inspect, or seize any documents relating to an environmental audit or self-evaluation, other than the report required in section 7, subdivision 2, except in accordance with the agency's policy on environmental auditing, as adopted by the agency on January 17, 1995.

Subd. 2. [THIRD-PARTY ACCESS.] After receipt by the commissioner of a report that complies with section 7, subdivision 2, any documents relating to the environmental audit or self-evaluation covered by the report are privileged as to all persons other than the state.

Subd. 3. [NONWAIVER OF PROTECTIONS.] Participation by a regulated entity in the environmental improvement program does not waive, minimize, reduce, or otherwise adversely affect the level of protection or confidentiality that exists, under current or developing common or statutory law, with respect to any other documents relating to an environmental audit or self-evaluation.

**Sec. 13. [REPORTING REQUIRED BY LAW.]**

Nothing in this chapter alters the obligation of any regulated entity to report releases, violations, or other matters that are required to be reported by state or federal law, rule, permit, or enforcement action.

**Sec. 14. [REPORT.]**

The commissioner, in consultation with the attorney general and after solicitation of public comment, shall submit a report to the chairs of the environment and natural resources committees of the senate and the house of representatives by December 31, 1998, that evaluates the effectiveness of the environmental improvement program and includes any recommendations for program changes.

**Sec. 15. [REPEALER.]**

Sections 5 to 14 are repealed effective July 1, 1999."

Delete the title and insert:

"A bill for an act relating to the environment; modifying provisions relating to the voluntary investigation and cleanup program; establishing the environmental improvement pilot program; amending Minnesota Statutes 1994, sections 115B.03, by adding a subdivision; 115B.175, subdivisions 2 and 3; and 115B.178, subdivision 1."

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

**SECOND READING OF SENATE BILLS**

S.F. Nos. 649, 1146, 1033, 704, 1144, 1200, 1440, 1336, 135, 364, 1042, 947, 163, 1043 and 734 were read the second time.

**SECOND READING OF HOUSE BILLS**

H.F. Nos. 673, 150, 866, 823, 228 and 365 were read the second time.

**MOTIONS AND RESOLUTIONS**

Mr. Janezich moved that the name of Mr. Lessard be added as a co-author to S.F. No. 821. The motion prevailed.

Ms. Johnson, J.B. moved that the name of Mr. Vickerman be added as a co-author to S.F. No. 902. The motion prevailed.

Mr. Kelly moved that the name of Ms. Runbeck be added as a co-author to S.F. No. 935. The motion prevailed.

Mr. Riveness moved that the name of Mr. Morse be added as a co-author to S.F. No. 999. The motion prevailed.

Ms. Pappas moved that the name of Ms. Ranum be added as a co-author to S.F. No. 1294. The motion prevailed.

Mr. Laidig moved that the name of Mr. Chandler be added as a co-author to S.F. No. 1360. The motion prevailed.

Mr. Langseth moved that the name of Mr. Larson be added as a co-author to S.F. No. 1372. The motion prevailed.

Ms. Hanson moved that her name be stricken as a co-author to S.F. No. 1447. The motion prevailed.

Mr. Dille moved that S.F. No. 1239 be withdrawn from the Committee on Governmental Operations and Veterans and returned to its author. The motion prevailed.

Mr. Dille moved that S.F. No. 1240 be withdrawn from the Committee on Agriculture and Rural Development and returned to its author. The motion prevailed.

**Ms. Reichgott Junge introduced--**

**Senate Resolution No. 44:** A Senate resolution congratulating Jane Rollin of New Hope, Minnesota, on being named Outstanding Young Woman of the Year.

Referred to the Committee on Rules and Administration.

**Mr. Stevens introduced--**

**Senate Resolution No. 45:** A Senate resolution recognizing Robert Miller, Goodwill Ambassador for the Muscular Dystrophy Association.

Referred to the Committee on Rules and Administration.

**Mr. Lessard introduced--**

**Senate Resolution No. 46:** A Senate resolution congratulating the International Falls High School boys hockey team on winning the 1995 State High School Class A Boys Hockey Tournament.

Referred to the Committee on Rules and Administration.

Ms. Krentz moved that S.F. No. 947, on General Orders, be stricken and re-referred to the Committee on Finance. The motion prevailed.

## **INTRODUCTION AND FIRST READING OF SENATE BILLS**

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

**Mses. Krentz, Flynn, Messrs. Spear and Neuville introduced--**

**S.F. No. 1485:** A bill for an act relating to alcoholic beverages; imposing civil third-party liability for damages caused by intoxication of persons under age 21; prohibiting certain subrogation claims; prohibiting certain exclusions from homeowner or renter insurance policies; proposing coding for new law in Minnesota Statutes, chapter 340A.

Referred to the Committee on Judiciary.

**Mr. Betzold introduced--**

**S.F. No. 1486:** A bill for an act relating to health; providing medical assistance coverage for pediatric vaccines; amending Minnesota Statutes 1994, section 256B.0625, by adding a subdivision.

Referred to the Committee on Health Care.

**Mr. Vickerman introduced--**

**S.F. No. 1487:** A bill for an act relating to taxation; sales and use tax; exempting certain fertilizer and chemical application equipment; amending Minnesota Statutes 1994, section 297A.25, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

**Mr. Metzen introduced--**

**S.F. No. 1488:** A bill for an act relating to highways; requiring the commissioner of transportation to construct the Wakota bridge-trunk highway 61 project in accordance with a specified schedule.

Referred to the Committee on Transportation and Public Transit.

**Mr. Kroening introduced--**

**S.F. No. 1489:** A bill for an act relating to game and fish; voiding certain action of the commissioner of natural resources in the border water angling dispute; appropriating money to challenge Canadian border waters angling restrictions; repealing Minnesota Statutes 1994, section 97A.531, subdivision 5.

Referred to the Committee on Environment and Natural Resources.

**Ms. Berglin introduced--**

**S.F. No. 1490:** A bill for an act relating to health; increasing the fee to include a confirmatory testing and a follow-up system to track infants with inborn metabolic diseases; amending Minnesota Statutes 1994, section 144.125.

Referred to the Committee on Health Care.

**Mr. Beckman introduced--**

**S.F. No. 1491:** A bill for an act relating to motor vehicles; allowing retired firefighters to receive special firefighter license plates; amending Minnesota Statutes 1994, section 168.12, subdivision 2b.

Referred to the Committee on Transportation and Public Transit.

**Ms. Reichgott Junge introduced--**

**S.F. No. 1492:** A bill for an act relating to limited liability companies; making various technical and conforming changes; amending Minnesota Statutes 1994, sections 322B.105; 322B.115, subdivisions 2, 3, and 4; 322B.12, subdivision 1; 322B.125, subdivision 1; 322B.135, subdivision 3; 322B.145; 322B.15, subdivisions 1, 3, and 4; 322B.155; 322B.175; 322B.20, subdivision 2; 322B.313, subdivision 2; 322B.33, subdivisions 4 and 9; 322B.34, subdivisions 1 and 3; 322B.346, subdivision 2; 322B.36, subdivisions 2 and 3; 322B.363, subdivision 1; 322B.373, subdivision 2; 322B.376; 322B.383, subdivision 1; 322B.386, subdivisions 4 and 7; 322B.40, subdivision 6; 322B.42, subdivisions 2 and 4; 322B.54, subdivision 1; 322B.56, subdivision 1; 322B.60, subdivision 2; 322B.643, subdivision 3; 322B.646; 322B.653; 322B.666, subdivision 2; 322B.693, subdivision 1; 322B.699, subdivision 6; 322B.72, subdivisions 2 and 3; 322B.75, subdivision 1; 322B.77, subdivision 1; 322B.803, subdivisions 1 and 2; 322B.813, subdivision 5; 322B.833, subdivisions 1, 2, and 4.

Referred to the Committee on Judiciary.

**Mr. Metzen introduced--**

**S.F. No. 1493:** A bill for an act relating to gambling; abolishing the Minnesota racing commission, the gambling control board, and the state lottery board; creating the department of gambling and transferring the responsibilities of the abolished commission and boards to it; transferring the division of gambling enforcement from the department of public safety to the department of gambling; making conforming changes; amending Minnesota Statutes 1994, sections 10A.01, subdivision 18; 10A.09, subdivision 1; 15.01; 15A.081, subdivision 1; 16B.54,

subdivision 2; 240.01, by adding subdivisions; 240.011; 240.03; 240.04; 240.05, subdivision 2; 240.06, subdivisions 3, 7, and 8; 240.07, subdivision 2; 240.08; 240.09, subdivision 3a; 240.155; 240.16; 240.18, subdivision 2; 240.21; 240.24; 240.28; 299L.01; 299L.02, subdivisions 2, 3, 4, and 5; 299L.03, subdivisions 1, 4, 5, and 7; 349.12, subdivision 10, and by adding subdivisions; 349.13; 349.151, subdivision 8; 349.152, subdivision 1; 349.153; 349.155, subdivision 4; 349.162, subdivisions 2 and 6; 349.163, subdivision 6; 349.165, subdivision 2; 349.18, subdivision 1; 349.19, subdivision 6; 349A.01, by adding a subdivision; 349A.02, subdivisions 1 and 8; 349A.03, subdivision 2; 349A.04; 349A.05; 349A.06, subdivision 2; 349A.08, subdivision 7; 349A.11; and 349A.12, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 349B; repealing Minnesota Statutes 1994, sections 240.01, subdivision 4; 240.02; 349.12, subdivision 6; 349.151, subdivisions 1, 2, and 3a; 349.152, subdivision 4; 349A.01, subdivision 2; and 349A.03, subdivision 1.

Referred to the Committee on Gaming Regulation.

**Mr. Metzen introduced--**

**S.F. No. 1494:** A bill for an act relating to gambling; abolishing pari-mutuel horse racing employee positions; reducing the number of members of the racing commission; requiring the commissioner of agriculture to provide administrative and technical support for the racing commission; abolishing the gambling control board and the state lottery board; creating the department of gambling and transferring the responsibilities of the abolished boards to it; transferring the division of gambling enforcement from the department of public safety to the department of gambling; making technical and conforming changes; amending Minnesota Statutes 1994, sections 10A.01, subdivision 18; 10A.09, subdivision 1; 15.01; 15A.081, subdivision 1; 16B.54, subdivision 2; 240.02, subdivision 1; 240.03; 240.05, subdivision 2; 240.13, subdivision 6; 240.155; 240.16, subdivisions 1 and 5; 240.24, subdivision 2; 240.28, subdivisions 1 and 2; 299L.01; 299L.02, subdivisions 2, 4, and 5; 299L.03, subdivisions 1, 4, 5, and 7; 349.12, subdivision 10, and by adding subdivisions; 349.13; 349.151, subdivision 8; 349.152, subdivision 1; 349.153; 349.155, subdivision 4; 349.162, subdivisions 2 and 6; 349.163, subdivision 6; 349.165, subdivision 2; 349.18, subdivision 1; 349.19, subdivision 6; 349A.01, by adding a subdivision; 349A.02, subdivisions 1 and 8; 349A.03, subdivision 2; 349A.04; 349A.05; 349A.06, subdivision 2; 349A.08, subdivision 7; 349A.11; and 349A.12, subdivision 4; proposing coding for new law in Minnesota Statutes, chapters 240; and 349B; repealing Minnesota Statutes 1994, sections 240.01, subdivision 20; 240.011; 240.04; 240.16, subdivision 6; 349.12, subdivision 6; 349.151, subdivisions 1, 2, and 3a; 349.152, subdivision 4; 349A.01, subdivision 2; and 349A.03, subdivision 1.

Referred to the Committee on Gaming Regulation.

**Messrs. Marty, Chandler, Mses. Johnson, J.B. and Krentz introduced--**

**S.F. No. 1495:** A bill for an act relating to services for the hearing impaired; authorizing the commissioner of human services to fund a pilot project to provide independent living skills training and support services for persons who are hearing impaired; proposing coding for new law in Minnesota Statutes, chapter 256C.

Referred to the Committee on Family Services.

**Mr. Neuville introduced--**

**S.F. No. 1496:** A bill for an act relating to the city of Faribault; exempting a tax increment financing district from certain restrictions; appropriating money to be used for a local economic development loan and grant program.

Referred to the Committee on Taxes and Tax Laws.

**Messrs. Murphy; Johnson, D.J. and Pogemiller introduced--**

**S.F. No. 1497:** A bill for an act relating to education; exempting high school league tournament

admissions from the sales tax with certain conditions; amending Minnesota Statutes 1994, section 297A.25, subdivision 30.

Referred to the Committee on Education.

**Mr. Hottinger, Mses. Pappas and Flynn introduced--**

**S.F. No. 1498:** A bill for an act relating to taxation; income; requiring mortgage interest to be included in taxable income; providing a credit for mortgage interest; amending Minnesota Statutes 1994, section 290.01, subdivision 19a; proposing coding for new law in Minnesota Statutes, chapter 290.

Referred to the Committee on Taxes and Tax Laws.

**Messrs. Hottinger and Merriam introduced--**

**S.F. No. 1499:** A bill for an act relating to water pollution control; providing additional procedures for waste management and treatment in certain unincorporated areas; amending Minnesota Statutes 1994, section 115.49, subdivisions 1 and 2.

Referred to the Committee on Environment and Natural Resources.

**Mr. Hottinger introduced--**

**S.F. No. 1500:** A bill for an act relating to civil actions; enacting uniform correction or clarification of defamation act; proposing coding for new law as Minnesota Statutes, chapter 553A.

Referred to the Committee on Judiciary.

**Mr. Stevens introduced--**

**S.F. No. 1501:** A bill for an act relating to game and fish; combining firearms and archery licenses to take deer; authorizing taking of one deer by each method; amending Minnesota Statutes 1994, sections 97A.475, subdivisions 2 and 3; and 97B.301, subdivisions 1, 3, 4, 5, and by adding a subdivision; repealing Minnesota Statutes 1994, section 97B.301, subdivision 2.

Referred to the Committee on Environment and Natural Resources.

**Mses. Pappas, Anderson, Mr. Hottinger and Ms. Flynn introduced--**

**S.F. No. 1502:** A bill for an act relating to revenue recapture; providing for annual notice to the debtor of collection of a debt through revenue recapture; amending Minnesota Statutes 1994, sections 270A.07, subdivision 1; and 270A.08.

Referred to the Committee on Taxes and Tax Laws.

**Messrs. Stevens and Solon introduced--**

**S.F. No. 1503:** A bill for an act relating to public safety; requiring fireworks display operators to be certified by state fire marshal; setting fees; appropriating money; amending Minnesota Statutes 1994, section 624.22.

Referred to the Committee on Commerce and Consumer Protection.

**Mr. Limmer, Mses. Ranum, Anderson, Messrs. Merriam and Kramer introduced--**

**S.F. No. 1504:** A bill for an act relating to crime; increasing penalties for committing the crime of indecent exposure in the presence of a child under the age of 16; amending Minnesota Statutes 1994, section 617.23.

Referred to the Committee on Crime Prevention.

**Messrs. Novak, Metzen and Belanger introduced--**

**S.F. No. 1505:** A bill for an act relating to taxation; adjusting certain property class rates; limiting the property tax imposed by local taxing authorities to the statutory tax rates; requiring additional property taxes to be subject to referenda; providing transition aid; providing a credit for certain property tax increases; amending Minnesota Statutes 1994, sections 273.13, subdivisions 22, 23, 24, 25, and 31; 273.1398, subdivision 6 and by adding a subdivision; 275.065, subdivisions 1, 3, 5a, and 6; 275.07, subdivision 1; 275.08, subdivisions 1a, 1b, 3, and 4; 275.61; and 290A.04, subdivision 2h; proposing coding for new law in Minnesota Statutes, chapter 275; repealing Minnesota Statutes 1994, sections 273.13, subdivision 32; 275.08, subdivision 1c; and 290A.04, subdivision 2i; Laws 1989, First Special Session chapter 1, article 7, section 9.

Referred to the Committee on Taxes and Tax Laws.

**Ms. Krentz introduced--**

**S.F. No. 1506:** A bill for an act relating to occupations; requiring the department of labor and industry to provide for licensure of pipefitters on inactive status; amending Minnesota Statutes 1994, section 326.48, subdivision 1.

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

**Mr. Samuelson introduced--**

**S.F. No. 1507:** A bill for an act relating to education; appropriating money for model K-12 environmental education curriculum integration.

Referred to the Committee on Education.

**Mr. Samuelson introduced--**

**S.F. No. 1508:** A bill for an act relating to education; changing the enrollment period that is counted toward the maximum for state grant eligibility; amending Minnesota Statutes 1994, section 136A.121, subdivision 9.

Referred to the Committee on Education.

**Messrs. Samuelson and Pogemiller introduced--**

**S.F. No. 1509:** A bill for an act relating to education; modifying certain provisions of the post-secondary enrollment options act; amending Minnesota Statutes 1994, section 123.3514, subdivisions 5, 7, 7a, and by adding a subdivision.

Referred to the Committee on Education.

**Mr. Beckman introduced--**

**S.F. No. 1510:** A bill for an act relating to crime prevention; authorizing the commissioner of corrections to establish a correctional facility at Camp Ripley; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 243.

Referred to the Committee on Crime Prevention.

**Mr. Beckman introduced--**

**S.F. No. 1511:** A bill for an act relating to education; modifying the use of transportation levies to include computer hardware and software for bus routes; amending Minnesota Statutes 1994, section 124.226, subdivision 6.



Referred to the Committee on Education.

**Messrs. Janezich and Johnson, D.J. introduced--**

**S.F. No. 1512:** A bill for an act relating to taxation; providing for allocation among governmental units of increases in the assessed valuation of commercial-industrial property within the taconite tax relief area; providing a formula for the distribution of additional revenues to municipalities within the taconite tax relief area; proposing coding for new law as Minnesota Statutes, chapter 276A.

Referred to the Committee on Taxes and Tax Laws.

**Ms. Ranum introduced--**

**S.F. No. 1513:** A bill for an act relating to appropriations; authorizing funding to train criminal justice officials in interviewing child sexual abuse victims; appropriating money.

Referred to the Committee on Crime Prevention.

**Messrs. Janezich and Solon introduced--**

**S.F. No. 1514:** A bill for an act relating to insurance; life insurance and annuities; requiring certain disclosures prior to replacement of an existing policy or contract; proposing coding for new law in Minnesota Statutes, chapter 61A.

Referred to the Committee on Commerce and Consumer Protection.

**Messrs. Kelly, Beckman, Limmer, Neuville and Spear introduced--**

**S.F. No. 1515:** A bill for an act relating to crime prevention; prohibiting placement of juveniles at Red Wing and Sauk Centre; prohibiting juvenile courts from transferring custody of adjudicated delinquents to the commissioner of corrections; requiring a report on privatizing care for the juveniles confined in Red Wing and Sauk Centre; amending Minnesota Statutes 1994, section 260.185, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 242.

Referred to the Committee on Crime Prevention.

**Mr. Beckman introduced--**

**S.F. No. 1516:** A bill for an act relating to corrections; authorizing peace officers to detain probationers based on an order from the chief executive officer of a community corrections agency; amending Minnesota Statutes 1994, section 401.02, subdivision 4.

Referred to the Committee on Crime Prevention.

**Mr. Beckman introduced--**

**S.F. No. 1517:** A bill for an act relating to appropriations; appropriating money to the Minnesota historical society for a grant for the restoration of the Historic Kee Theatre.

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

**Mr. Beckman introduced--**

**S.F. No. 1518:** A bill for an act relating to appropriations; appropriating money to the Minnesota historical society for expenditure as a grant to FarmAmerica.

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

**Mr. Cohen introduced--**

**S.F. No. 1519:** A bill for an act relating to taxation; allowing metropolitan counties to impose a one percent sales tax on the furnishing of lodging; providing that the revenues are used for support of nonprofit arts organizations; amending Laws 1986, chapter 396, section 5; proposing coding for new law in Minnesota Statutes, chapter 297A.

Referred to the Committee on Taxes and Tax Laws.

**Mr. Lessard introduced--**

**S.F. No. 1520:** A bill for an act relating to the environment; extending the notification requirements for landfarming contaminated soil to unorganized townships; requiring that notice must be filed with the county recorder when a permit is issued to landfarm contaminated soil; amending Minnesota Statutes 1994, section 116.07, subdivision 11.

Referred to the Committee on Environment and Natural Resources.

**Mr. Lessard introduced--**

**S.F. No. 1521:** A bill for an act relating to education; providing for post-secondary enrollment options (PSEO) replacement aid; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 124.

Referred to the Committee on Education.

**Mr. Lessard introduced--**

**S.F. No. 1522:** A bill for an act relating to education; creating a sparsity revenue formula for capital facilities and equipment revenue; allowing levy for special assessments; amending Minnesota Statutes 1994, sections 124.243, subdivision 2; 124.244, subdivision 1; and 124.912, subdivision 1.

Referred to the Committee on Education.

**Mr. Oliver introduced--**

**S.F. No. 1523:** A bill for an act relating to the city of Chanhassen; authorizing certain bid specifications for playground equipment on an experimental basis.

Referred to the Committee on Metropolitan and Local Government.

**Mr. Neuville introduced--**

**S.F. No. 1524:** A bill for an act relating to health care; requiring certification of a facility to serve persons with Prader-Willi Syndrome.

Referred to the Committee on Health Care.

**Mr. Oliver introduced--**

**S.F. No. 1525:** A bill for an act relating to health; modifying certain fee payment time schedules; amending Minnesota Statutes 1994, section 144.98, subdivision 3.

Referred to the Committee on Health Care.

**Mr. Morse and Ms. Anderson introduced--**

**S.F. No. 1526:** A bill for an act relating to the environment; modifying the toxic pollution

prevention act; amending Minnesota Statutes 1994, sections 115A.55, subdivision 3; 115D.03, subdivision 5, and by adding a subdivision; 115D.05; 115D.07, subdivisions 1 and 2; 115D.08, subdivision 1; and 115D.10; repealing Minnesota Statutes 1994, section 115A.165.

Referred to the Committee on Environment and Natural Resources.

**Messrs. Betzold and Kelly introduced--**

**S.F. No. 1527:** A bill for an act relating to courts; case records; prohibiting certain agreements to seal certain documents in connection with litigation; proposing coding for new law as Minnesota Statutes, chapter 552.

Referred to the Committee on Judiciary.

**Mr. Marty introduced--**

**S.F. No. 1528:** A bill for an act relating to municipal contracting; clarifying the definition of school district contracts; amending Minnesota Statutes 1994, section 471.345, subdivision 2.

Referred to the Committee on Education.

**Mr. Chmielewski introduced--**

**S.F. No. 1529:** A bill for an act relating to taxation; property; prohibiting an increase in estimated market value for homesteads owned by persons at least 65 years of age having certain income requirements; amending Minnesota Statutes 1994, sections 273.11, subdivision 5, and by adding a subdivision; 273.121; and 276.04, subdivision 2.

Referred to the Committee on Taxes and Tax Laws.

**Mr. Chmielewski introduced--**

**S.F. No. 1530:** A bill for an act relating to education; allowing the plans for reorganizing school districts to determine the allocation of certain homestead and agricultural credit aid; amending Minnesota Statutes 1994, sections 122.23, subdivision 2; and 122.242, subdivision 9.

Referred to the Committee on Education.

**Ms. Berglin introduced--**

**S.F. No. 1531:** A bill for an act relating to health; eliminating the fees for copies of patient records when obtaining records for a social security claim or appeal; amending Minnesota Statutes 1994, section 144.335, subdivision 5.

Referred to the Committee on Health Care.

**Ms. Berglin introduced--**

**S.F. No. 1532:** A bill for an act relating to health care; clarifying the physician surcharge; clarifying the health maintenance organization surcharge; modifying certain hospital and nursing home payments; amending Minnesota Statutes 1994, sections 147.01, subdivision 6; 256.9657, subdivision 3; 256.969, subdivision 9; 256B.19, subdivisions 1c and 1d; and 256B.431, subdivision 23.

Referred to the Committee on Health Care.

**Mr. Marty introduced--**

**S.F. No. 1533:** A bill for an act relating to workers' compensation; modifying provisions relating to insurance requirements and regulations; permitting certain collective bargaining

agreements; changing certain benefit provisions and procedures; appropriating money; amending Minnesota Statutes 1994, sections 79.01, subdivision 1; 79.074, by adding subdivisions; 79.50; 79.59, subdivision 4; 176.021, subdivision 3a; 176.132, subdivision 3; 176.82; 182.659, by adding a subdivision; and 363.02, subdivision 5; proposing coding for new law in Minnesota Statutes, chapters 79; 79A; and 176; repealing Minnesota Statutes 1994, sections 79.51; 79.52; 79.53; 79.54; 79.55; 79.56; 79.57; 79.58; 79.59, subdivisions 1, 2, 3, and 5; 79.60; 79.61; and 79.62.

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

**Mses. Runbeck, Wiener, Robertson and Mr. Knutson introduced--**

**S.F. No. 1534:** A bill for an act relating to education; prohibiting the release of educational data on individuals as directory information; amending Minnesota Statutes 1994, section 13.32, subdivision 3; repealing Minnesota Statutes 1994, section 13.32, subdivision 5.

Referred to the Committee on Judiciary.

**Mr. Oliver introduced--**

**S.F. No. 1535:** A bill for an act relating to human services; adding to definition of base level funding; adding provisions for local children's mental health collaborative; changing provisions for integrated fund task force; requiring approval for a collaborative's integrated service system; adding provisions for liens; directing purchase of cost-effective coverage for AIDS patients; changing GAMC exemption for Indian health service facilities; establishing a medical assistance qualifying trust; defining institutionalized spouse; establishing a date for prohibited transfer of assets; establishing homestead exception to transfer prohibition; excluding organ transplant for medical assistance coverage for emergency medical treatment furnished to an alien; requiring notice to heirs; defining undue hardship; establishing demonstration projects for alternative integrated delivery systems for acute and long-term services to the elderly; amending Minnesota Statutes 1994, sections 245.492, subdivisions 2, 6, 9, and 23; 245.493, subdivision 2; 245.4932, subdivisions 1, 2, 3, and 4; 245.494, subdivisions 1 and 3; 245.495; 245.496, subdivision 3, and by adding a subdivision; 256.015, subdivisions 1 and 2; 256.9353, subdivision 8; 256.9365; 256.969, subdivisions 1, 10, 16, and 24; 256B.042, subdivision 2; 256B.056, subdivision 4, and by adding a subdivision; 256B.0575; 256B.059, subdivisions 1, 3, and 5; 256B.0595, subdivisions 1, 2, 3, and 4; 256B.06, subdivision 4; 256B.0625, subdivisions 5, 8, 8a, 13, 13a, 18, 37, and by adding a subdivision; 256B.0911, subdivision 2; 256B.0915, subdivision 2; 256B.15, subdivisions 1a, 2, and by adding a subdivision; 256B.49, subdivision 1; 256B.69, subdivision 4, and by adding a subdivision; 256D.03, subdivisions 3, 3b, and 4; and 256D.425, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 245; and 256B; repealing Minnesota Statutes 1994, section 256B.055, subdivision 12.

Referred to the Committee on Health Care.

**Mr. Langseth introduced--**

**S.F. No. 1536:** A bill for an act relating to the organization and operation of state government; appropriating money for the department of transportation and other agencies with certain conditions; amending Minnesota Statutes 1994, section 611A.57, by adding a subdivision.

Referred to the Committee on Transportation and Public Transit.

**Mr. Langseth introduced--**

**S.F. No. 1537:** A bill for an act relating to education; allowing consolidating independent school district Nos. 21, Audubon, and 24, Lake Park, to elect school board members from multimember districts.

Referred to the Committee on Education.

**MEMBERS EXCUSED**

Mr. Pogemiller was excused from the Session of today.

**ADJOURNMENT**

Mr. Moe, R.D. moved that the Senate do now adjourn until 8:00 a.m., Thursday, March 30, 1995. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

