

**FIFTIETH DAY**

St. Paul, Minnesota, Monday, May 1, 1995

The Senate met at 10:00 a.m. and was called to order by the President.

**CALL OF THE SENATE**

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

Prayer was offered by the Chaplain, Rev. Edward A. Blair.

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

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

Anderson	Frederickson	Kroening	Neuville	Sams
Beckman	Hanson	Laidig	Oliver	Samuelson
Belanger	Hottinger	Langseth	Olson	Scheevel
Berg	Janezich	Larson	Ourada	Solon
Berglin	Johnson, D.E.	Lesewski	Pappas	Spear
Bertram	Johnson, D.J.	Lessard	Pariseau	Stevens
Betzold	Johnson, J.B.	Limmer	Piper	Stumpf
Chandler	Johnston	Marty	Pogemiller	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.

**MOTIONS AND RESOLUTIONS**

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 537 a Special Order to be heard immediately.

**SPECIAL ORDER**

**S.F. No. 537:** A bill for an act relating to drivers' licenses; requiring the refund of license fees to applicants who do not receive licenses, duplicate licenses, permits, or Minnesota identification cards within six weeks; requesting legislative audit commission evaluation of driver's license and identification card program; amending Minnesota Statutes 1994, sections 171.06, by adding a subdivision; and 171.07, subdivisions 1 and 3.

Mr. Betzold moved to amend S.F. No. 537 as follows:

Page 3, line 29, delete "1" and insert "15"

The motion prevailed. So the amendment was adopted.

S.F. No. 537 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 54 and nays 7, as follows:

Those who voted in the affirmative were:

Anderson	Flynn	Krentz	Morse	Riveness
Beckman	Frederickson	Kroening	Murphy	Robertson
Belanger	Hanson	Laidig	Neuville	Sams
Berg	Hottinger	Langseth	Olson	Samuelson
Berglin	Janezich	Lesewski	Ourada	Solon
Betzold	Johnson, D.E.	Lessard	Pappas	Spear
Chandler	Johnson, D.J.	Marty	Piper	Stevens
Chmielewski	Johnson, J.B.	Merriam	Pogemiller	Stumpf
Cohen	Kelly	Metzen	Price	Terwilliger
Day	Kleis	Moe, R.D.	Ranum	Wiener
Finn	Kramer	Mondale	Reichgott Junge	

Those who voted in the negative were:

Johnston	Knutson	Limmer	Pariseau	Runbeck
Kiscaden	Larson			

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

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 538 a Special Order to be heard immediately.

### SPECIAL ORDER

**S.F. No. 538:** A bill for an act relating to state agencies; requiring the refund of license fees to certain applicants if licenses are not issued within six weeks; proposing coding for new law in Minnesota Statutes, chapter 15.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 399 a Special Order to be heard immediately.

**SPECIAL ORDER**

**S.F. No. 399:** A bill for an act relating to recreational vehicles; driving while intoxicated; providing for forfeiture of snowmobiles, all-terrain vehicles, and motorboats for designated, DWI-related offenses; extending vehicle forfeiture law by expanding the definition of prior conviction to include other types of vehicles; amending Minnesota Statutes 1994, sections 84.83, subdivision 2; 84.927, subdivision 1; and 169.1217, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 84; and 86B.

Mr. Merriam moved to amend S.F. No. 399 as follows:

Page 11, after line 12, insert:

"Sec. 6. Minnesota Statutes 1994, section 171.30, subdivision 3, is amended to read:

Subd. 3. [CONDITIONS ON ISSUANCE.] The commissioner shall issue a limited license restricted to the vehicles whose operation is permitted only under a Class A, Class B, or Class CC license whenever a Class A, Class B, or Class CC license has been suspended under section 171.18, or revoked under section 171.17, for violation of the highway traffic regulation act committed in a private passenger motor vehicle. This subdivision shall not apply to any persons described in section 171.04, subdivision 1, clauses (4), (5), (6), (8), (9), and (11), or any person whose license or privilege has been suspended or revoked for a violation of section 169.121 or 169.123, or a statute or ordinance from another state in conformity with either of those sections."

Page 11, line 13, delete "6" and insert "7"

Page 11, line 14, delete "5" and insert "6"

Correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 38 and nays 22, as follows:

Those who voted in the affirmative were:

Beckman	Johnson, D.E.	Krentz	Mondale	Ranum
Belanger	Johnson, J.B.	Kroening	Morse	Runbeck
Berglin	Johnston	Laidig	Neuville	Sams
Betzold	Kelly	Larson	Olson	Spear
Cohen	Kiscaden	Limmer	Ourada	Stevens
Finn	Kleis	Marty	Pariseau	Terwilliger
Flynn	Knutson	Merriam	Piper	
Frederickson	Kramer	Moe, R.D.	Price	

Those who voted in the negative were:

Anderson	Day	Langseth	Pogemiller	Stumpf
Berg	Hanson	Lesewski	Riveness	Wiener
Bertram	Hottinger	Lessard	Robertson	
Chandler	Janezich	Metzen	Scheevel	
Chmielewski	Johnson, D.J.	Murphy	Solon	

The motion prevailed. So the amendment was adopted.

S.F. No. 399 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 55 and nays 6, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Chmielewski	Janezich	Lessard	Robertson	Scheevel
Hanson				

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

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 882 a Special Order to be heard immediately.

### SPECIAL ORDER

**S.F. No. 882:** A bill for an act relating to crime; expanding the scope of the patterned sex offender sentencing law; requiring training for judges, prosecutors, peace officers, and sex offender assessors on sentencing laws applicable to repeat and patterned sex offenders; expanding the interference with privacy crime to include persons who intrude on the privacy of occupants of hotel sleeping rooms and tanning booths; increasing penalties for committing the crime of indecent exposure in the presence of a child under the age of 16; clarifying where service of a search warrant may be made; expanding the authority of agents of a political subdivision to carry firearms when on duty; tolling the statute of limitations while physical evidence relating to a crime is undergoing DNA analysis; amending Minnesota Statutes 1994, sections 480.30; 609.1352, subdivisions 3, 5, and by adding a subdivision; 609.341, subdivision 11; 609.746, subdivision 1; 617.23; 626.13; 626.84, subdivision 2; and 628.26; proposing coding for new law in Minnesota Statutes, chapter 388.

Ms. Ranum moved to amend S.F. No. 882 as follows:

Page 5, after line 16, insert:

"Sec. 7. Minnesota Statutes 1994, section 609.485, subdivision 2, is amended to read:

Subd. 2. [ACTS PROHIBITED.] Whoever does any of the following may be sentenced as provided in subdivision 4:

(1) escapes while held in lawful custody on a charge or conviction of a crime, or while held in lawful custody on an allegation or adjudication of a delinquent act while 18 years of age;

(2) transfers to another, who is in lawful custody on a charge or conviction of a crime, or introduces into an institution in which the latter is confined, anything usable in making such escape, with intent that it shall be so used;

(3) having another in lawful custody on a charge or conviction of a crime, intentionally permits the other to escape; or

(4) escapes while in a facility designated under section 253B.18, subdivision 1, pursuant to a court commitment order after a finding of not guilty by reason of mental illness or mental deficiency of a crime against the person, as defined in section 253B.02, subdivision 4a. Notwithstanding section 609.17, no person may be charged with or convicted of an attempt to commit a violation of this clause; or

(5) escapes while in a facility designated under section 253B.18, subdivision 1, pursuant to a court commitment order under rule 20 of the Rules of Criminal Procedure, or as a sexual psychopathic personality as defined in section 253B.02, subdivision 18a, or as a sexually

dangerous person as defined in section 253B.02, subdivision 18b, or as mentally ill and dangerous to the public as defined in section 253B.02, subdivision 17.

For purposes of clause (1), "escapes while held in lawful custody" includes absconding from electronic monitoring or absconding after removing an electronic monitoring device from the person's body.

Sec. 8. Minnesota Statutes 1994, section 609.485, subdivision 4, is amended to read:

Subd. 4. [SENTENCE.] (a) Except as otherwise provided in subdivision 3a, whoever violates this section may be sentenced as follows:

(1) if the person who escapes is in lawful custody on a charge or conviction of a felony, to imprisonment for not more than five years or to payment of a fine of not more than \$10,000, or both;

(2) if the person who escapes is in lawful custody after a finding of not guilty by reason of mental illness or mental deficiency of a crime against the person, as defined in section 253B.02, subdivision 4a, or pursuant to an order under rule 20 of the Rules Of Criminal Procedure, or as a sexual psychopathic personality as defined in section 253B.02, subdivision 18a, or as a sexually dangerous person as defined in section 253B.02, subdivision 18b, or as mentally ill and dangerous to the public as defined in section 253B.02, subdivision 17, to imprisonment for not more than one year and one day or to payment of a fine of not more than \$3,000, or both; or

(3) if such charge or conviction is for a gross misdemeanor or misdemeanor, or if the person who escapes is in lawful custody on an allegation or adjudication of a delinquent act while 18 years of age, to imprisonment for not more than one year or to payment of a fine of not more than \$3,000, or both.

(b) If the escape was a violation of subdivision 2, clause (1), (2), or (3), and was effected by violence or threat of violence against a person, the sentence may be increased to not more than twice those permitted in paragraph (a), clauses (1) and (3).

(c) Unless a concurrent term is specified by the court, a sentence under this section shall be consecutive to any sentence previously imposed or which may be imposed for any crime or offense for which the person was in custody when the person escaped.

(d) Notwithstanding paragraph (c), if a person who was committed to the commissioner of corrections under section 260.185 escapes from the custody of the commissioner while 18 years of age, the person's sentence under this section shall commence on the person's 19th birthday or on the person's date of discharge by the commissioner of corrections, whichever occurs first. However, if the person described in this clause is convicted under this section after becoming 19 years old and after having been discharged by the commissioner, the person's sentence shall commence upon imposition by the sentencing court.

(e) Notwithstanding paragraph (c), if a person who is in lawful custody on an allegation or adjudication of a delinquent act while 18 years of age escapes from a local juvenile correctional facility, the person's sentence under this section begins on the person's 19th birthday or on the person's date of discharge from the jurisdiction of the juvenile court, whichever occurs first. However, if the person described in this paragraph is convicted after becoming 19 years old and after discharge from the jurisdiction of the juvenile court, the person's sentence begins upon imposition by the sentencing court."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

S.F. No. 882 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

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

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

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 1127 a Special Order to be heard immediately.

### SPECIAL ORDER

**S.F. No. 1127:** A bill for an act relating to state lands; authorizing public sale of certain state land that borders public water in Hennepin county; appropriating money.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 1451 a Special Order to be heard immediately.

### SPECIAL ORDER

**S.F. No. 1451:** A bill for an act relating to the city of Minneapolis; authorizing the city to establish special service districts within the city; amending Laws 1985, chapter 302, section 2, subdivision 1, as amended.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 1290 a Special Order to be heard immediately.

### SPECIAL ORDER

**S.F. No. 1290:** A bill for an act relating to the legislature; abolishing the legislative commission to review administrative rules, the legislative commission on children, youth, and their families, the legislative water commission, the legislative commission on the economic status of women, the legislative commission on child protection, the legislative commission on health care access, the legislative commission on long-term health care, the legislative commission on waste management, and the legislative tax study commission; transferring functions of the legislative commission on Minnesota resources to the office of strategic and long-range planning; amending Minnesota Statutes 1994, sections 3.846, subdivision 2; 4.071, subdivision 2; 14.131; 14.15, subdivision 4; 14.19; 14.23; 14.26; 14.32, subdivision 2; 14.47, subdivisions 3, 6, and 8; 62J.04, subdivisions 1a and 9; 62Q.33, subdivision 5; 84.0274, subdivision 7; 85.019, subdivision 2; 86.72, subdivisions 2 and 3; 89.022, subdivision 2; 103A.43; 103B.321, subdivision 1; 115A.07, subdivision 3; 115A.15, subdivision 5; 115A.158, subdivision 2; 115A.165; 115A.193; 115A.22, subdivision 5; 115A.5501, subdivisions 2 and 4; 115A.551, subdivisions 4 and 5; 115A.557, subdivision 4; 115A.9157, subdivision 6; 115A.96, subdivision 2; 115A.961, subdivision 2; 115A.9651, subdivision 2; 115A.97, subdivisions 5 and 6; 115B.20, subdivisions 2, 5, and 6; 116C.712, subdivision 5; 116J.555, subdivision 2; 116P.02; 116P.03; 116P.05, subdivision 2, and by adding a subdivision; 116P.06; 116P.07; 116P.08, subdivisions 3, 4, 5, 6, and 7; 116P.09; 116P.10; 116P.11; 116P.12; 116Q.02; 256.9352, subdivision 3; 256B.431, subdivision 2i; 290.431; 290.432; and 473.846; repealing Minnesota Statutes 1994, sections 3.841; 3.842; 3.843; 3.844; 3.845; 3.861; 3.873; 3.885; 3.887; 3.9222; 3.9227; 14.115, subdivision 8; 62J.04, subdivision 4; 62J.07; 62N.24; 103B.351; 115A.03, subdivision 16; 115A.08; 115A.14; 115A.29; 115A.38; 115A.411; 115A.913, subdivision 5; 115A.9157, subdivision 4; 115A.965, subdivision 7; 115A.981, subdivision 3; 115B.20, subdivision 6; 115B.22, subdivision 8; 115B.43, subdivision 4; 116P.05, subdivision 1; 216C.051; 256B.504; 473.149, subdivisions 2c and 6; 473.845, subdivision 4; and 473.848, subdivision 4.

Mr. Hottinger moved to amend S.F. No. 1290 as follows:

Pages 2 to 9, delete sections 1 to 10

Page 31, line 20, delete everything after "sections"

Page 31, line 21, delete "3.844; 3.845;"

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1 line 2, delete the second "the"

Page 1, delete line 3

Page 1, line 15, delete "3.846, subdivision 2;" and delete "14.131;"

Page 1, delete lines 16 and 17

Page 1, line 35, delete "3.841;"

Page 1, line 36, delete everything before "3.861;"

The motion prevailed. So the amendment was adopted.

Mr. Riveness moved to amend S.F. No. 1290 as follows:

Page 36, line 24, before the period, insert ", except:

(1) temporary projects to collect, assess, or produce ecological or other natural resource data to guide natural resource decision making; and

(2) cooperative projects involving federal, local, or private matching funds"

The motion prevailed. So the amendment was adopted.

Ms. Berglin moved to amend S.F. No. 1290 as follows:

Page 11, line 29, reinstate the stricken ", in cooperation"

Page 11, line 30, reinstate the stricken language

Page 27, line 31, reinstate the stricken language

Page 31, line 22, delete "62J.04, subdivision 4; 62J.07;"

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

### RECONSIDERATION

Having voted on the prevailing side, Ms. Berglin moved that the vote whereby the Berglin amendment to S.F. No. 1290 was adopted on May 1, 1995, be now reconsidered. The motion prevailed. So the vote was reconsidered.

Ms. Berglin withdrew her amendment.

Ms. Berglin then moved to amend S.F. No. 1290 as follows:

Page 10, lines 26 and 27, reinstate the stricken language

Page 11, delete section 12

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Ms. Berglin then reoffered her withdrawn amendment, to amend S.F. No. 1290 as follows:

Page 11, line 29, reinstate the stricken ", in cooperation"

Page 11, line 30, reinstate the stricken language

Page 27, line 31, reinstate the stricken language

Page 31, line 22, delete "62J.04, subdivision 4; 62J.07;"

Amend the title accordingly



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

Mr. Moe, R.D. moved to amend S.F. No. 1290 as follows:

Page 31, line 25, delete everything after the second semicolon

Amend the title as follows:

Page 1, line 42, delete "115B.20, subdivision 6;"

The motion prevailed. So the amendment was adopted.

Mr. Frederickson moved to amend S.F. No. 1290 as follows:

Page 2, delete lines 2 and 3

Page 12, delete section 14

Pages 19 and 20, delete section 28

Page 31, line 33, delete "39" and insert "37"

Page 31, line 34, delete from "ARTICLE" through page 48, line 8, to "1996."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

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

Mr. Price moved to amend S.F. No. 1290 as follows:

Page 48, after line 8, insert:

"ARTICLE 3  
INTERIM STUDY

Section 1. [STUDY AND RECOMMENDATIONS.]

The policy committees of the senate and the house of representatives having jurisdiction over the legislative water commission shall study the functions of that commission during the interim between the 1995 and 1996 legislative sessions. If a committee concludes that the commission should be retained or reorganized or that its functions should be performed by another entity, the committee shall prepare appropriate legislation for consideration during the 1996 legislative session.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

Amend the title accordingly

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

Mr. Lessard moved to amend S.F. No. 1290 as follows:

Page 48, after line 8, insert:

"ARTICLE 3  
INTERIM STUDY

Section 1. [STUDY AND RECOMMENDATIONS.]

The policy committees of the senate and the house of representatives having jurisdiction over the legislative commission on waste management shall study the functions of that commission

during the interim between the 1995 and 1996 legislative sessions. If a committee concludes that the commission should be retained or reorganized or that its functions should be performed by another entity, the committee shall prepare appropriate legislation for consideration during the 1996 legislative session.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

Amend the title accordingly

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

S.F. No. 1290 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 56 and nays 10, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Anderson	Chmielewski	Johnson, J.B.	Marty	Morse
Berglin	Frederickson	Laidig	Merriam	Price

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

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 115 a Special Order to be heard immediately.

### SPECIAL ORDER

**S.F. No. 115:** A bill for an act relating to elections; changing the name of the state partisan primary to the state party nominating election; requiring candidates to demonstrate party support before being listed on the party's primary ballot; moving the state party nominating election and primary from September to June; repealing the presidential primary election; amending Minnesota Statutes 1994, sections 10A.31, subdivision 6; 10A.322, subdivision 1; 10A.323; 204B.08, subdivisions 1 and 2; 204B.09, subdivision 1; 204B.10, subdivisions 2, 3, and 4; 204B.11, subdivision 2; 204B.12, subdivision 1; 204B.33; 204C.04, subdivision 2; 204D.03, subdivision 1; 204D.08, subdivision 4; and 204D.24, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 204B; repealing Minnesota Statutes 1994, sections 204B.06, subdivision 1a; 207A.01 to 207A.04; and 207A.06 to 207A.10.

Ms. Flynn moved to amend S.F. No. 115 as follows:

Page 3, line 36, delete "congressional and state"

Page 4, lines 8 and 25, delete "congressional or state"

Page 4, line 27, delete "ten" and insert "one"

Page 5, line 17, delete "congressional or state"

Page 9, delete section 14

Page 9, delete line 18 and insert "be held on the first third Tuesday ~~after the second Monday~~ in"

Pages 10 and 11, delete section 17

Page 11, delete section 19

Renumber the sections in sequence

Amend the title as follows:

Page 1, lines 7 and 8, delete "repealing the presidential primary election;"

Page 1, line 13, delete "204C.04, subdivision 2;"

Page 1, line 14, after "1;" insert "and" and after "4;" delete "and"

Page 1, line 15, delete "204D.24, subdivision 2;"

Page 1, line 16, delete from "; repealing" through page 1, line 18, to "207A.10"

Mr. Merriam requested division of the amendment as follows:

First portion:

Page 9, delete section 14

Pages 10 and 11, delete section 17

Page 11, delete section 19

Renumber the sections in sequence

Amend the title as follows:

Page 1, lines 7 and 8, delete "repealing the presidential primary election;"

Page 1, line 13, delete "204C.04, subdivision 2;"

Page 1, line 14, after "1;" insert "and" and after "4;" delete "and"

Page 1, line 15, delete "204D.24, subdivision 2;"

Page 1, line 16, delete from "; repealing" through page 1, line 18, to "207A.10"

Second portion:

Page 3, line 36, delete "congressional and state"

Page 4, lines 8 and 25, delete "congressional or state"

Page 4, line 27, delete "ten" and insert "one"

Page 5, line 17, delete "congressional or state"

Third portion:

Page 9, delete line 18 and insert "be held on the first third Tuesday ~~after the second Monday~~ in"

The question was taken on the adoption of the first portion of the Flynn amendment.

The roll was called, and there were yeas 39 and nays 27, as follows:

Those who voted in the affirmative were:

Beckman  
Belanger

Bertram  
Chandler

Chmielewski  
Day

Dille  
Flynn

Frederickson  
Hanson

Hottinger	Knutson	Lesewski	Olson	Samuelson
Janezich	Kramer	Lessard	Ourada	Solon
Johnson, D.E.	Krentz	Metzen	Pariseau	Spear
Johnson, D.J.	Kroening	Moe, R.D.	Reichgott Junge	Terwilliger
Johnston	Laidig	Mondale	Robertson	Vickerman
Kleis	Larson	Murphy	Sams	

Those who voted in the negative were:

Anderson	Johnson, J.B.	Merriam	Pogemiller	Stevens
Berg	Kelly	Morse	Price	Stumpf
Berglin	Kiscaden	Neuville	Ranum	Wiener
Betzold	Langseth	Oliver	Riveness	
Cohen	Limmer	Pappas	Runbeck	
Finn	Marty	Piper	Scheevel	

The motion prevailed. So the first portion of the Flynn amendment was adopted.

The question was taken on the second portion of the Flynn amendment. The motion prevailed. So the second portion of the Flynn amendment was adopted.

Mr. Marty moved to amend the third portion of the Flynn amendment to S.F. No. 115 as follows:

Page 1, line 7, reinstate the stricken "first"

Page 1, line 8, delete "third"

Page 1, after line 8, insert:

"Page 9, line 19, delete "June" and insert "August"

Amend the title amendment as follows:

Page 1, delete lines 12 and 13 and insert:

"Page 1, line 7, delete "June" and insert "August" and delete "repealing the"

Page 1, line 8, delete "presidential primary election;"

The question was taken on the adoption of the Marty amendment to the Flynn amendment.

The roll was called, and there were yeas 22 and nays 40, as follows:

Those who voted in the affirmative were:

Anderson	Finn	Lesewski	Ourada	Stumpf
Berg	Hanson	Limmer	Pappas	Wiener
Berglin	Kelly	Marty	Piper	
Bertram	Kiscaden	Merriam	Runbeck	
Chmielewski	Kleis	Neuville	Solon	

Those who voted in the negative were:

Beckman	Frederickson	Krentz	Murphy	Robertson
Belanger	Hottinger	Laidig	Olson	Sams
Betzold	Janezich	Langseth	Pariseau	Samuelson
Chandler	Johnson, D.E.	Larson	Pogemiller	Scheevel
Cohen	Johnson, D.J.	Metzen	Price	Spear
Day	Johnson, J.B.	Moe, R.D.	Ranum	Stevens
Dille	Knutson	Mondale	Reichgott Junge	Terwilliger
Flynn	Kramer	Morse	Riveness	Vickerman

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

The question recurred on the third portion of the Flynn amendment. The motion prevailed. So the third portion of the Flynn amendment was adopted.

Mr. Terwilliger moved to amend S.F. No. 115 as follows:

Pages 3 to 8, delete sections 4 to 11

Page 10, lines 8 to 13, delete the new language

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 18 and nays 45, as follows:

Those who voted in the affirmative were:

Belanger	Johnson, D.J.	Larson	Ourada	Stevens
Day	Kiscaden	Lesewski	Pariseau	Terwilliger
Janezich	Knutson	Limmer	Robertson	
Johnson, D.E.	Laidig	Oliver	Scheevel	

Those who voted in the negative were:

Anderson	Finn	Kramer	Morse	Riveness
Beckman	Flynn	Krentz	Neuville	Runbeck
Berglin	Frederickson	Kroening	Olson	Sams
Bertram	Hanson	Lessard	Pappas	Samuelson
Betzold	Hottinger	Marty	Piper	Solon
Chandler	Johnson, J.B.	Merriam	Pogemiller	Spear
Chmielewski	Johnston	Metzen	Price	Stumpf
Cohen	Kelly	Moe, R.D.	Ranum	Vickerman
Dille	Kleis	Mondale	Reichgott Junge	Wiener

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

Mrs. Pariseau moved to amend S.F. No. 115 as follows:

Page 4, line 7, delete "20" and insert "ten"

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

Ms. Kiscaden moved to amend S.F. No. 115 as follows:

Page 10, lines 8 to 13, delete the new language

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 21 and nays 44, as follows:

Those who voted in the affirmative were:

Berg	Johnson, D.J.	Lessard	Oliver	Terwilliger
Chmielewski	Kiscaden	Limmer	Pariseau	
Day	Knutson	Merriam	Robertson	
Frederickson	Laidig	Metzen	Samuelson	
Janezich	Larson	Moe, R.D.	Stevens	

Those who voted in the negative were:

Anderson	Flynn	Krentz	Olson	Runbeck
Beckman	Hanson	Kroening	Ourada	Sams
Belanger	Hottinger	Langseth	Pappas	Scheevel
Berglin	Johnson, D.E.	Lesewski	Piper	Solon
Bertram	Johnson, J.B.	Marty	Pogemiller	Spear
Betzold	Johnston	Mondale	Price	Stumpf
Chandler	Kelly	Morse	Ranum	Vickerman
Cohen	Kleis	Murphy	Reichgott Junge	Wiener
Finn	Kramer	Neuville	Riveness	

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

Mr. Terwilliger moved to amend S.F. No. 115 as follows:

Page 1, lines 23 to 26, reinstate the stricken language and delete the new language

Page 1, line 29, delete "party nominating" and insert "primary"

Page 2, lines 4 and 25, delete "party nominating" and insert "primary"

Page 3, line 26, delete "party nominating" and insert "primary"

Page 4, lines 4 and 29, delete "party nominating" and insert "primary"

Page 4, line 24, delete "party nomination" and insert "primary"

Page 6, line 7, reinstate the stricken "primary" and delete "party nominating"

Page 6, line 16, delete "party nominating" and insert "primary"

Page 7, lines 14 and 15, delete "party nominating" and insert "primary"

Page 8, line 24, delete "party nominating" and insert "primary"

Page 9, lines 16 and 17, delete the new language

Page 9, lines 25 to 36, reinstate the stricken language and delete the new language

Page 11, delete section 18

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

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

Mr. Larson moved to amend S.F. No. 115, as amended by the Flynn amendment adopted by the Senate May 1, 1995, as follows:

Page 3, after line 31, insert:

"Sec. 4. Minnesota Statutes 1992, section 202A.192, is amended to read:

202A.192 [USE OF PUBLIC FACILITIES.]

Every statutory city, home rule charter city, county, town, school district and other public agency, including the university of Minnesota and other public colleges and universities, shall make their facilities available for the holding of ~~precinct caucuses and legislative district or county~~ conventions required by this chapter. A charge for the use of the facilities may be imposed in an amount that does not exceed the lowest amount charged to any public or private group."

Page 11, after line 11, insert:

"Sec. 17. [REPEALER.]

Minnesota Statutes 1994, sections 202A.14; 202A.15; 202A.155; 202A.156; 202A.16; 202A.17; 202A.18; 202A.19; and 202A.20, are repealed."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 18 and nays 45, as follows:

Those who voted in the affirmative were:

Belanger	Dille	Kroening	Oliver	Stevens
Berg	Kiscaden	Larson	Robertson	Terwilliger
Bertram	Knutson	Lessard	Scheevel	
Day	Kramer	Metzen	Solon	

Those who voted in the negative were:

Anderson	Hanson	Langseth	Neuville	Reichgott Junge
Beckman	Hottinger	Lesewski	Olson	Riveness
Berglin	Johnson, D.E.	Limmer	Ourada	Runbeck
Betzold	Johnson, J.B.	Marty	Pappas	Sams
Chandler	Johnston	Merriam	Pariseau	Samuelson
Chmielewski	Kelly	Moe, R.D.	Piper	Spear
Cohen	Kleis	Mondale	Pogemiller	Stumpf
Finn	Krentz	Morse	Price	Vickerman
Flynn	Laidig	Murphy	Ranum	Wiener

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

S.F. No. 115 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 50 and nays 16, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	Kroening	Neuville	Riveness
Beckman	Hottinger	Laidig	Olson	Runbeck
Berglin	Johnson, D.E.	Langseth	Ourada	Sams
Bertram	Johnson, D.J.	Lesewski	Pappas	Samuelson
Betzold	Johnson, J.B.	Lessard	Pariseau	Scheevel
Chandler	Johnston	Metzen	Piper	Spear
Cohen	Kelly	Moe, R.D.	Pogemiller	Stevens
Dille	Kleis	Mondale	Price	Terwilliger
Flynn	Kramer	Morse	Ranum	Vickerman
Frederickson	Krentz	Murphy	Reichgott Junge	Wiener

Those who voted in the negative were:

Belanger	Finn	Knutson	Marty	Robertson
Berg	Janezich	Larson	Merriam	Solon
Chmielewski	Kiscaden	Limmer	Oliver	Stumpf
Day				

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

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 845 a Special Order to be heard immediately.

### SPECIAL ORDER

**S.F. No. 845:** A bill for an act relating to health; MinnesotaCare; expanding provisions of health care; 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; providing penalties; appropriating money; amending Minnesota Statutes 1994, sections 13.99, by adding a subdivision; 16A.724; 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.05; 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, subdivisions 1 and 2; 62J.48; 62J.54; 62J.55; 62J.58; 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; 62N.25, subdivision 2; 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.075, subdivision 4; 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.23; 62Q.25; 62Q.30; 62Q.32; 62Q.33, subdivisions 4 and 5; 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; 256.9353, subdivisions 1 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; 256.9363, subdivision 5; 256B.037, subdivisions 1, 3, 4, and by adding subdivisions; 256B.04, by adding a subdivision; 256B.055, by adding a subdivision; 256B.057, subdivision 3, and by adding subdivisions; 256B.0625, subdivision 30; 256B.69, subdivisions 2 and 4; 270.101, subdivision 1; 295.50, subdivisions 3, 4, and 10a; 295.53, subdivisions 1, 3, and 4; 295.55, subdivision 4; 295.57; and 295.582; Laws 1990, chapter 591, article 4, section 9; Laws 1994, chapter 625, article 5, sections 5, subdivision 1; 7; and 10, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 62J; 62L; 62N; 62Q; 256; 256B; 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; 62Q.27; and 256.9353, subdivisions 4 and 5; Laws 1993, chapter 247, article 1, sections 12, 13, 14, 15, 18, and 19; Minnesota Rules, part 4685.1700, subpart 1, item D.

Ms. Berglin moved to amend S.F. No. 845 as follows:

Page 6, line 36, delete "by outside providers"

Page 7, line 14, delete "do" and insert "would"

Page 7, line 29, after "\$1,000,000" insert "or 8-1/3 percent of the previous years' expenditures, whichever is greater"

Page 7, line 32, delete "with the commissioner"

Page 8, lines 31 and 32, delete "If an integrated service network's working capital is no longer positive," and insert "If at any time an integrated service network's net worth, working capital, investments, deposits, or guarantees do not conform with the provisions of this chapter,"

Page 35, line 19, delete "62Q.166" and insert "62Q.22"

Page 38, line 21, delete "62Q.166" and insert "62Q.22"

Page 39, line 15, delete "62Q.166" and insert "62Q.22"

Page 101, line 22, strike "within one calendar month" and insert "and they may not reenroll until 12 calendar months have elapsed"

The motion prevailed. So the amendment was adopted.

Ms. Berglin then moved to amend S.F. No. 845 as follows:

Page 102, after line 1, insert:

"(d) Any enrollee or family member of an enrollee who has previously been permanently disenrolled from MinnesotaCare for not applying for and cooperating with medical assistance shall be eligible to reenroll if 12 calendar months have elapsed since the date of disenrollment."

The motion prevailed. So the amendment was adopted.

Ms. Berglin then moved to amend S.F. No. 845 as follows:

Page 169, after line 35, insert:

"Sec. 33. Minnesota Statutes 1994, section 148B.32, subdivision 1, is amended to read:



Subdivision 1. [UNLICENSED PRACTICE PROHIBITED.] After adoption of rules by the board implementing sections 148B.29 to 148B.39, no individual shall engage in marriage and family therapy practice unless that individual holds a valid license issued under sections 148B.29 to 148B.39.

~~Marriage and family therapy practice is not medical care nor any other type of remedial care that may be reimbursed under medical assistance, chapter 256B, except to the extent such care is reimbursed under section 256B.0625, subdivision 5. Marriage and family therapists may not be reimbursed under medical assistance, chapter 256B, except to the extent such case is reimbursed under section 256B.0625, subdivision 5, or when marriage and family therapists are employed by a managed care organization with a contract to provide mental health care to medical assistance enrollees."~~

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Ms. Berglin then moved to amend S.F. No. 845 as follows:

Page 97, line 30, after "means" insert "the lesser of"

Page 97, line 31, delete "20" and insert "30"

Page 97, line 32, after "percent" insert "or the usual and customary retail price, including any dispensing fee, minus five percent"

Page 98, after line 13, insert:

"Subd. 8. [AVERAGE MANUFACTURER PRICE.] "Average manufacturer price" has the meaning assigned to the term by the Secretary of Health and Human Services for purposes of the federal drug rebate program established under the Omnibus Budget Reconciliation Act of 1990 and section 1927 of the Social Security Act."

Page 98, lines 21 and 22, delete "the difference between the discounted price and the average wholesale price" and insert "three percent of the average manufacturer price"

Page 98, line 31, after "pharmacies" insert "through the claims processor"

Page 98, lines 32 and 33, delete "the difference between the discounted price and the average wholesale price" and insert "three percent of the average manufacturer price"

Page 98, lines 34 and 35, delete "on a monthly basis" and insert "according to the timelines used under the medical assistance program"

Page 99, lines 5 and 6, delete "the difference between the discounted price and the average wholesale price" and insert "three percent of the average manufacturer price"

Page 99, lines 7 and 8, delete "the current dispensing fee for medical assistance programs" and insert "\$3"

Page 99, line 17, after "system" insert "and point-of-sale system"

Page 99, line 32, after "amended" insert ", or coverage for prescription drugs under medical assistance under chapter 256B, general assistance medical care under chapter 256D, MinnesotaCare, or the qualified medical beneficiaries program"

Page 100, line 14, delete from "An" through page 100, line 19, to "companies." and insert "The commissioner of administration may authorize a claims processing contractor to charge a fixed claims processing fee not to exceed ten cents for each prescription drug provided to participating seniors under this section. In the event the commissioner authorizes a claims processing fee, one-half of the fee must be paid by the participating manufacturer and one-half by the participating pharmacy."

Page 124, line 22, before "Sections" insert "(a)"

Page 124, line 29, before "The" insert "(b)"

The motion prevailed. So the amendment was adopted.

Ms. Berglin then moved to amend S.F. No. 845 as follows:

Page 36, after line 22, insert:

"(d) No policyholder or contract holder in Minnesota may be required to purchase a health plan that offers elective abortion coverage."

The motion prevailed. So the amendment was adopted.

Ms. Kiscaden moved to amend S.F. No. 845 as follows:

Page 154, after line 27, insert:

"Sec. 9. Minnesota Statutes 1994, section 62J.17, subdivision 6a, is amended to read:

Subd. 6a. [PROSPECTIVE REVIEW AND APPROVAL.] (a) [REQUIREMENT.] No health care provider subject to prospective review under this subdivision shall make a major spending commitment unless:

(1) the provider has filed an application with the commissioner to proceed with the major spending commitment and has provided all supporting documentation and evidence requested by the commissioner; and

(2) the commissioner determines, based upon this documentation and evidence, that the major spending commitment is appropriate under the criteria provided in subdivision 5a in light of the alternatives available to the provider.

(b) [APPLICATION.] A provider subject to prospective review and approval shall submit an application to the commissioner before proceeding with any major spending commitment. The application must address each item listed in subdivision 4a, paragraph (a), and must also include documentation to support the response to each item. The provider may submit information, with supporting documentation, regarding why the major spending commitment should be excepted from prospective review under ~~paragraph (d)~~ subdivision 7. The submission may be made either in addition to or instead of the submission of information relating to the items listed in subdivision 4a, paragraph (a).

(c) [REVIEW.] The commissioner shall determine, based upon the information submitted, whether the major spending commitment is appropriate under the criteria provided in subdivision 5a, or whether it should be excepted from prospective review under ~~paragraph (d)~~ subdivision 7. In making this determination, the commissioner may also consider relevant information from other sources. At the request of the commissioner, the Minnesota health care commission shall convene an expert review panel made up of persons with knowledge and expertise regarding medical equipment, specialized services, health care expenditures, and capital expenditures to review applications and make recommendations to the commissioner. The commissioner shall make a decision on the application within 60 days after an application is received.

~~(d) [EXCEPTIONS.] The prospective review and approval process does not apply to:~~

~~(1) a major spending commitment to replace existing equipment with comparable equipment, if the old equipment will no longer be used in the state;~~

~~(2) a major spending commitment made by a research and teaching institution for purposes of conducting medical education, medical research supported or sponsored by a medical school or by a federal or foundation grant, or clinical trials;~~

~~(3) a major spending commitment to repair, remodel, or replace existing buildings or fixtures if, in the judgment of the commissioner, the project does not involve a substantial expansion of service capacity or a substantial change in the nature of health care services provided; and~~

~~(4) mergers, acquisitions, and other changes in ownership or control that, in the judgment of the commissioner, do not involve a substantial expansion of service capacity or a substantial change in the nature of health care services provided.~~

~~(e) [NOTIFICATION REQUIRED FOR EXCEPTED MAJOR SPENDING COMMITMENT.] A provider making a major spending commitment covered by paragraph (d) shall provide notification of the major spending commitment as provided under subdivision 4a.~~

~~(f) (d) [PENALTIES AND REMEDIES.] The commissioner of health has the authority to issue fines, seek injunctions, and pursue other remedies as provided by law.~~

Sec. 10. Minnesota Statutes 1994, section 62J.17, is amended by adding a subdivision to read:

Subd. 7. [EXCEPTIONS.] (a) The retrospective review process as described in subdivision 5a and the prospective review and approval process as described in subdivision 6a do not apply to:

(1) a major spending commitment to replace existing equipment with comparable equipment used for direct patient care, upgrades of equipment beyond the current model, or comparable model must be reported;

(2) a major spending commitment made by a research and teaching institution for purposes of conducting medical education, medical research supported or sponsored by a medical school, or by a federal or foundation grant or clinical trials;

(3) a major spending commitment to repair, remodel, or replace existing buildings or fixtures if, in the judgment of the commissioner, the project does not involve a substantial expansion of service capacity or a substantial change in the nature of health care services provided;

(4) a major spending commitment for building maintenance including heating, water, electricity, and other maintenance-related expenditures;

(5) a major spending commitment for activities, not directly related to the delivery of patient care services, including food service, laundry, housekeeping, and other service-related activities; and

(6) a major spending commitment for computer equipment or data systems not directly related to the delivery of patient care services, including computer equipment or data systems related to medical record automation.

(b) In addition to the exceptions listed in subdivision 7, paragraph (a), the prospective review and approval process described in subdivision 6a does not apply to mergers, acquisitions, and other changes in ownership or control that, in the judgment of the commissioner, do not involve a substantial expansion of service capacity or a substantial change in the nature of health care services provided."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Mr. Oliver moved to amend S.F. No. 845 as follows:

Page 49, after line 6, insert:

"(d) The annual report required under paragraph (a), due January 15, 1998, must include an evaluation of the penalty for the uninsured established under section 62Q.166."

Page 49, line 7, delete "(d)" and insert "(e)"

Page 49, after line 23, insert:

"Sec. 2. [62Q.166] [PENALTY FOR THE UNINSURED.]

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

(b) "Commissioner" means the commissioner of health.

(c) "Income" means federal adjusted gross income, as defined in the Internal Revenue Code of 1986, as amended through December 31, 1994.

(d) "Uninsured" means the failure to have in effect during a reporting period 30 consecutive days or more of qualifying coverage as defined in section 62L.02, subdivision 24. Coverage through a health plan company must be at least a qualified plan as defined in section 62E.02, subdivision 4, except that the deductible must be no more than \$2,000.

(e) "Household unit" means a Minnesota resident subject to taxation under chapter 290 and all dependents claimed on the resident's federal income tax return for the reporting year. For purposes of this section, married spouses and any dependents they claim are a household unit if they file a joint federal tax return or file separate returns but reside together.

(f) "Reporting year" means the 12-month period for which income is reported for purposes of chapter 290.

(g) "Filing year" means the 12-month period following the reporting year.

Subd. 2. [ESTABLISHMENT OF PENALTY.] (a) Effective for reporting year beginning after December 31, 1996, a penalty of \$100 shall be imposed on all household units with income for the reporting year greater than 275 percent of the federal poverty guideline for a family of that size, for which one or more members of the household unit are uninsured while residing in Minnesota. Effective for reporting year beginning after December 31, 1997, the penalty becomes \$200 and after December 31, 1998, the penalty becomes \$400.

(b) The federal poverty guideline used to establish gross annual income under paragraph (a) shall be the guideline applicable to a family of the household's size in effect on January 1 of the reporting year.

(c) The household unit shall report on a form prescribed by the commissioner information required by the commissioner related to the penalty imposed under this section.

Subd. 3. [HOUSEHOLD UNIT DUTIES.] Each household unit meeting the income guidelines in subdivision 2, paragraph (a), shall report the information required under subdivision 2, paragraph (c), and pay the penalty to the commissioner no later than April 15 of the filing year.

Subd. 4. [ENFORCEMENT.] For the purpose of enforcing this section, the commissioner shall have the same power to abate the penalty as the commissioner of revenue has under section 270.07, subdivision 1, paragraph (e). The interest provision of section 270.75 shall apply.

Subd. 5. [CONTRACTING ENFORCEMENT TO ANOTHER STATE AGENCY.] The commissioner may contract with another state agency to enforce this section and may exchange any information necessary with that state agency. If the commissioner contracts with the department of revenue, the commissioner of revenue is authorized to examine reports and assess and collect the penalty in the manner provided in chapters 270 and 289A.

Subd. 6. [TREATMENT OF DATA.] Information collected by the commissioner under this section shall be treated as private data on individuals as defined under section 13.02, subdivision 12.

Subd. 7. [USE OF INCREASED REVENUE.] State revenue attributable to the penalties assessed under this section shall be deposited in the health care access fund. Up to five percent of the revenue attributable to the penalty may be appropriated to the commissioner to administer this section."

Page 54, after line 7, insert:

"Sec. 4. Minnesota Statutes 1994, section 270B.14, subdivision 11, is amended to read:

Subd. 11. [DISCLOSURE TO COMMISSIONER OF HEALTH.] (a) On the request of the commissioner of health, the commissioner may disclose return information to the extent provided in paragraph (b) and for the purposes provided in paragraph (c).

(b) Data that may be disclosed are limited to the taxpayer's identity, as defined in section 270B.01, subdivision 5.

(c) The commissioner of health may request data only for the purposes of carrying out epidemiologic investigations, which includes conducting occupational health and safety surveillance, and locating and notifying individuals exposed to health hazards as a result of employment. Requests for data by the commissioner of health must be in writing and state the purpose of the request. Data received may be used only for the purposes of section 144.0525.

(d) The commissioner may disclose information to the commissioner of health as necessary to enforce the penalty for the uninsured provided under section 62Q.166.

#### Sec. 5. [PUBLIC EDUCATION.]

The commissioner of health, with the cooperation of the commissioner of revenue, shall develop information to be distributed to the public in order to educate the public on the penalty for the uninsured established under Minnesota Statutes, section 62Q.166. This information shall be available to the public by January 1, 1996.

#### Sec. 6. [PENALTY THRESHOLD LEVEL.]

The health care commission shall make recommendations to the legislature by January 15, 1996, on the establishment and implementation of criteria that would allow an individual to be exempt from paying the penalty established under Minnesota Statutes, section 62Q.166."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

### CALL OF THE SENATE

Mr. Terwilliger imposed a call of the Senate for the balance of the proceedings on the Oliver amendment. The Sergeant at Arms was instructed to bring in the absent members.

Ms. Berglin moved to amend the Oliver amendment to S.F. No. 845 as follows:

Page 2, line 20, after the period, insert "The commissioner shall waive the penalty for any person who, in the judgment of the commissioner, faces hardship in payment of the penalty."

The motion prevailed. So the amendment to the amendment was adopted.

The question was taken on the Oliver amendment, as amended.

The roll was called, and there were yeas 21 and nays 42, as follows:

Those who voted in the affirmative were:

Anderson	Hottinger	Kroening	Piper	Spear
Berglin	Janezich	Mondale	Pogemiller	
Betzold	Johnson, J.B.	Morse	Ranum	
Chandler	Kiscaden	Oliver	Reichgott Junge	
Flynn	Krentz	Pappas	Sams	

Those who voted in the negative were:

Beckman	Hanson	Langseth	Olson	Solon
Belanger	Johnson, D.E.	Larson	Ourada	Stevens
Berg	Johnson, D.J.	Lesewski	Pariseau	Stumpf
Bertram	Johnston	Limmer	Price	Terwilliger
Cohen	Kelly	Marty	Riveness	Vickerman
Day	Kleis	Merriam	Robertson	Wiener
Dille	Knutson	Metzen	Runbeck	
Finn	Kramer	Moe, R.D.	Samuelson	
Frederickson	Laidig	Neuville	Scheevel	

The motion did not prevail. So the Oliver amendment, as amended, was not adopted.

Mr. Sams moved to amend S.F. No. 845 as follows:

Page 170, delete lines 7 to 16 and insert:

~~"As part of the implementation report submitted on January 1, 1996, as required under Minnesota Statutes, section 62Q.41, The commissioners of commerce, health, and labor and industry shall develop a 24-hour coverage plan, on a pilot project basis, incorporating and coordinating the health component medical benefits of workers' compensation with health care coverage benefits to be offered by an integrated service network, health maintenance organization, or an insurer or self-insured employer under chapters 79, 79A, 176, 181, 62A, 62C, 62D, 62H, and 62N. The commissioners shall also make provide the plan and recommendations of any legislative changes that may be needed to implement this plan, to the legislature by January 1, 1996."~~

Ms. Berglin moved to amend the Sams amendment to S.F. No. 845 as follows:

Page 1, line 5, delete "commerce," and delete the second comma

Page 1, line 11, delete "62A,"

The motion prevailed. So the amendment to the amendment was adopted.

Mr. Betzold moved to amend the Sams amendment to S.F. No. 845 as follows:

Page 1, line 14, delete "1" and insert "15"

The motion prevailed. So the amendment to the amendment was adopted.

The question was taken on the Sams amendment, as amended. The motion prevailed. So the amendment, as amended, was adopted.

Mr. Vickerman moved to amend S.F. No. 845 as follows:

Page 13, line 24, after "providers" insert "as defined in section 62Q.095, subdivision 5" and delete "practitioners" and insert "practitioners as defined in section 136A.1356, subdivision 1,"

The motion prevailed. So the amendment was adopted.

Mr. Riveness moved to amend S.F. No. 845 as follows:

Page 173, after line 33, insert:

"With respect to revenues received from third-party payers by hospitals, surgical centers, pharmacies, or health care providers, "gross revenues" shall mean only the allowable charges for services or goods rendered as determined pursuant to any agreement between the third-party payer and the hospital, surgical center, pharmacy, or health care provider."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 32 and nays 33, as follows:

Those who voted in the affirmative were:

Beckman	Dille	Kramer	Murphy	Samuelson
Belanger	Finn	Krentz	Olson	Solon
Berg	Hanson	Laidig	Ourada	Terwilliger
Bertram	Johnson, J.B.	Lesewski	Pariseau	Vickerman
Chandler	Kelly	Lessard	Price	
Chmielewski	Kleis	Merriam	Riveness	
Day	Knutson	Metzen	Runbeck	

Those who voted in the negative were:

Anderson	Janezich	Larson	Pappas	Scheevel
Berglin	Johnson, D.E.	Limmer	Piper	Spear
Betzold	Johnson, D.J.	Marty	Pogemiller	Stevens
Cohen	Johnston	Mondale	Ranum	Stumpf
Flynn	Kiscaden	Morse	Reichgott Junge	Wiener
Frederickson	Kroening	Neuville	Robertson	
Hottinger	Langseth	Oliver	Sams	

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

Mr. Terwilliger moved to amend S.F. No. 845 as follows:

Page 104, lines 21 to 33, delete the new language

Page 104, line 34, strike "(c)" and strike "paragraphs (a) and (b)" and insert "paragraph (a)"

### CALL OF THE SENATE

Ms. Berglin imposed a call of the Senate for the balance of the proceedings on S.F. No. 845. The Sergeant at Arms was instructed to bring in the absent members.

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

The roll was called, and there were yeas 28 and nays 37, as follows:

Those who voted in the affirmative were:

Belanger	Johnson, D.E.	Laidig	Oliver	Samuelson
Berg	Johnston	Larson	Olson	Scheevel
Bertram	Kiscaden	Lesewski	Ourada	Stevens
Day	Kleis	Limmer	Pariseau	Terwilliger
Dille	Knutson	Merriam	Robertson	
Frederickson	Kramer	Neuville	Runbeck	

Those who voted in the negative were:

Anderson	Flynn	Kroening	Pappas	Solon
Beckman	Hanson	Langseth	Piper	Spear
Berglin	Hottinger	Lessard	Pogemiller	Stumpf
Betzold	Janezich	Marty	Price	Vickerman
Chandler	Johnson, D.J.	Metzen	Ranum	Wiener
Chmielewski	Johnson, J.B.	Mondale	Reichgott Junge	
Cohen	Kelly	Morse	Riveness	
Finn	Krentz	Murphy	Sams	

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

Mr. Hottinger moved to amend S.F. No. 845 as follows:

Page 154, after line 27, insert:

"Sec. 9. Minnesota Statutes 1994, section 62J.2913, subdivision 1, is amended to read:

Subdivision 1. [AVAILABILITY OF EXCEPTION.] Providers or purchasers wishing to engage in ~~contracts, business or financial arrangements, or other activities, practices, or arrangements~~ a formal arrangement to provide prepaid health services to an enrolled population of 50,000 or fewer enrollees that might be construed to be violations of state or federal antitrust laws but which are in the best interests of the state and further the policies and goals of this chapter may apply to the commissioner for an exception."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Mr. Neuville moved to amend S.F. No. 845 as follows:

Page 35, line 21, before "The" insert "(a)"

Page 36, after line 4, insert:

"(b) "Appropriate and necessary care" does not include elective abortions. For purposes of this section, an "abortion" means the use or prescription of any instrument, medicine, drug, or any

other substance or device intentionally to terminate the pregnancy of a woman known to be pregnant with an intention other than to increase the probability of a live birth, to preserve the life or health of the child after live birth, or to remove a dead unborn child. For purposes of this section, an "elective abortion" means an abortion other than where, in the professional judgment of the attending physician, which is a medical judgment that would be made by a reasonably prudent physician, knowledgeable about the case and the treatment possibilities with respect to the medical conditions involved, the life of the female would be endangered or substantial and irreversible impairment of a major bodily function would result if the fetus were carried to term; where the pregnancy is the result of criminal sexual conduct in the first or second degree committed with force or violence, and the incident is reported within 48 hours after the victim becomes physically able to report the rape; or where the pregnancy is the result of incest and the incident and relative are reported to a valid law enforcement agency prior to the abortion. Neither section 62N.17 nor any other provision of this act may be construed to require coverage for elective abortions. This paragraph is inseverable from this section and from sections 62Q.231, 62Q.24, and 62Q.25; if any sentence, phrase, or word of this paragraph is determined by a final nonappealable order or judgment of a court of competent jurisdiction to be unconstitutional under the state or federal constitution or in conflict with federal law, all remaining portions of this section and of sections 62Q.231, 62Q.24, and 62Q.25 are void and are repealed. If any sentence, phrase, or word of this paragraph has been determined by a court of competent jurisdiction to be unconstitutional under the state or federal constitution or in conflict with federal law, and that determination is under appeal to another court or the time allowed for appeal has not expired, all remaining portions of this section and of sections 62Q.231, 62Q.24, and 62Q.25 are not enforceable during any period of time in which any sentence, phrase, or word of this paragraph is not enforceable. With respect to section 62Q.25, the inseverability applies to the amendments made to that section in this act and to that section as it exists in Minnesota Statutes 1994."

Page 36, after line 22, insert:

"(d) The standard health coverage does not include elective abortions, as defined in subdivision 2."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 37 and nays 28, as follows:

Those who voted in the affirmative were:

Beckman	Hanson	Kroening	Metzen	Scheevel
Belanger	Johnson, D.E.	Laidig	Neuville	Stevens
Berg	Johnson, D.J.	Langseth	Olson	Stumpf
Bertram	Johnston	Larson	Ourada	Terwilliger
Chmielewski	Kelly	Lesewski	Pariseau	Vickerman
Day	Kleis	Lessard	Runbeck	
Dille	Knutson	Limmer	Sams	
Frederickson	Kramer	Merriam	Samuelson	

Those who voted in the negative were:

Anderson	Flynn	Marty	Piper	Robertson
Berglin	Hottinger	Moe, R.D.	Pogemiller	Solon
Betzold	Janezich	Mondale	Price	Spear
Chandler	Johnson, J.B.	Morse	Ranum	Wiener
Cohen	Kiscaden	Oliver	Reichgott Junge	
Finn	Krentz	Pappas	Riveness	

The motion prevailed. So the amendment was adopted.

Ms. Runbeck moved to amend S.F. No. 845 as follows:

Page 104, line 30, after the period, insert "Expansion of the MinnesotaCare program is contingent upon available revenues."



The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 41 and nays 23, as follows:

Those who voted in the affirmative were:

Beckman	Hanson	Langseth	Oliver	Solon
Belanger	Hottinger	Larson	Olson	Stevens
Berg	Johnson, D.E.	Lesewski	Ourada	Terwilliger
Bertram	Johnston	Lessard	Pariseau	Vickerman
Chandler	Kiscaden	Limmer	Riveness	Wiener
Chmielewski	Kleis	Merriam	Robertson	
Day	Knutson	Metzen	Runbeck	
Dille	Kramer	Murphy	Samuelson	
Frederickson	Laidig	Neuville	Scheevel	

Those who voted in the negative were:

Anderson	Flynn	Marty	Piper	Sams
Berglin	Johnson, D.J.	Moe, R.D.	Pogemiller	Spear
Betzold	Johnson, J.B.	Mondale	Price	Stumpf
Cohen	Krentz	Morse	Ranum	
Finn	Kroening	Pappas	Reichgott Junge	

The motion prevailed. So the amendment was adopted.

Mr. Dille moved to amend S.F. No. 845 as follows:

Page 174, line 28, after "center," insert "pharmacy, wholesale drug distributor,"

Page 176, line 32, strike "and"

Page 177, line 3, before the period, insert "; and

(21) payments received by wholesale drug distributors for prescription drugs sold directly to veterinarians or veterinary bulk purchasing organizations"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 62 and nays 1, as follows:

Those who voted in the affirmative were:

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

Mr. Kroening voted in the negative.

The motion prevailed. So the amendment was adopted.

Mr. Scheevel moved to amend S.F. No. 845 as follows:

Page 31, after line 35, insert:

"Sec. 22. [62Q.145] [ABORTION AND SCOPE OF PRACTICE.]

Health plan company policies related to scope of practice for allied independent health providers as defined in section 62Q.095, subdivision 5, midlevel practitioners as defined in section 136A.1356, subdivision 1, and other nonphysician health care professionals must comply with the requirements governing the performance of abortions in section 145.412, subdivision 1."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Mrs. Pariseau moved to amend S.F. No. 845 as follows:

Page 14, after line 25, insert:

"(c) Nothing in this act shall be construed to require the creation or maintenance of abortion clinics or other abortion providers within any integrated service network; nor shall anything in this act be construed to authorize any agency to require the creation or maintenance of abortion clinics or abortion providers or to deny certification or any other benefit granted by this act to a health plan company based on the number of or the presence or absence of abortion clinics or other abortion providers in or affiliated with the health plan company."

The question was taken on the adoption of the amendment.

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

Those who voted in the affirmative were:

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

The motion prevailed. So the amendment was adopted.

Ms. Kiscaden moved to amend S.F. No. 845 as follows:

Page 169, after line 35, insert:

"Sec. 33. Minnesota Statutes 1994, section 549.01, is amended to read:

549.01 [AGREEMENT AS TO FEES OF ATTORNEY.]

Subdivision 1. [DEFINITIONS.] For purposes of this section, "health care provider" means a physician, surgeon, dentist, or other health care professional or hospital, including all persons or entities providing health care as defined in section 145.61, subdivisions 2 and 4, or a certified health care professional employed by or providing services as an independent contractor in a hospital; and "contingency fee" means a fee for professional legal services that is in whole or in part dependent upon the recovery of any amount of damages, whether through judgment or settlement.

Subd. 2. [FEES GENERALLY.] Other than as provided in subdivision 3, a party shall have an unrestricted right to agree with an attorney as to compensation for services, and the measure and mode thereof; but certain sums may be allowed to the prevailing party for expenses in an action, which are termed costs.

Subd. 3. [CONTINGENCY FEES; ACTIONS AGAINST A HEALTH CARE PROVIDER.]  
(a) An attorney shall not contract for or collect a contingency fee for representing a person seeking damages in connection with an action for injury or damage against a health care provider based upon the person's alleged professional negligence in excess of the following limits:

(1) 40 percent of the first \$50,000 recovered;

(2) 33-1/3 percent of the next \$50,000 recovered;

(3) 20 percent of the next \$400,000 recovered; and

(4) ten percent of any amount on which the recovery exceeds \$500,000.

The limitations apply regardless of whether the recovery is by settlement, arbitration, or judgment, or whether the person for whom the recovery is made is a responsible adult, an infant, or a person of unsound mind.

(b) An attorney may not receive contingency fees on any portion of an award for noneconomic or punitive damages.

(c) In the event that the judgment or settlement includes periodic or future payments of damages, the amount recovered for purposes of this section is the cost of the annuity or trust established to make the payments, or if there is no annuity or trust, the present value of the payments.

Subd. 4. [VIOLATION OF SECTION.] A fee contracted for in violation of this section is void and unenforceable. A claimant affected by a violation of this section may bring an action in the court in which the claim was or could have been brought, for damages in the amount of three times the fee improperly contracted for or collected, reasonable attorney fees, and other relief to which the person may be entitled.

Sec. 34. Minnesota Statutes 1994, section 595.02, subdivision 5, is amended to read:

Subd. 5. [WAIVER OF PRIVILEGE FOR HEALTH CARE PROVIDERS.] A party who commences an action makes a claim or files a lawsuit for malpractice, error, mistake, or failure to cure, whether based on contract or tort, against a health care provider on the person's own behalf or in a representative capacity, waives in that action any privilege existing under subdivision 1, paragraphs (d) and (g), as to any information or opinion in the possession of a health care provider who has examined or cared for the party or other person whose health or medical condition has been placed in controversy in the action. This waiver must permit all parties to the action, and their attorneys or authorized representatives, to informally discuss the information or opinion with the health care provider if the provider consents. Prior to an informal discussion with a health care provider, the defendant must mail written notice to the other party at least 15 days before the discussion. The plaintiff's attorney or authorized representative must have the opportunity to be present at any informal discussion. Appropriate medical authorizations permitting discussion must be provided by the party commencing the action upon request from any other party.

A health care provider may refuse to consent to the discussion but, in that event, the party seeking the information or opinion may take the deposition of the health care provider with respect to that information and opinion, without obtaining a prior court order.

For purposes of this subdivision, "health care provider" means a physician, surgeon, dentist, or other health care professional or hospital, including all persons or entities providing health care as defined in section 145.61, subdivisions 2 and 4, or a certified health care professional employed by or providing services as an independent contractor in a hospital.

Sec. 35. Minnesota Statutes 1994, section 604.02, is amended by adding a subdivision to read:

Subd. 4. [APPORTIONMENT OF DAMAGES; MEDICAL MALPRACTICE.] Notwithstanding subdivisions 1 to 3, for purposes of medical malpractice actions, when two or more persons are jointly liable, contributions to awards must be in proportion to the percentage of fault attributable to each."

Page 171, line 21, after the period, insert "Sections 33 to 35 are effective August 1, 1995, and apply to actions commenced on or after that date."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Ms. Berglin questioned whether the amendment was germane.

The President ruled that the amendment was not germane.

Mr. Chmielewski moved to amend S.F. No. 845 as follows:

Page 40, after line 21, insert:

"Sec. 28. [PINE COUNTY RURAL HEALTH CLINICS; AGREEMENTS TO PROVIDE COVERED SERVICES.]

A health carrier that has an agreement with any clinic to provide covered services under a health plan issued or renewed to provide coverage to a Minnesota resident of Pine county must enter into a similar agreement with any rural health clinic in Pine county certified under Code of Federal Regulations, title 42, part 491, that is willing to provide those covered services on the same terms and conditions.

The commissioner of commerce or health, as appropriate, shall suspend the authority to transact business of a health carrier that violates this section. The suspension expires June 30, 2000.

For purposes of this section, "health plan" includes, but is not limited to, integrated service networks and community integrated service networks; health insurance companies, health maintenance organizations, nonprofit health service plan corporations, and other health plan companies; employee health plans offered by self-insured employers; trusts established in a collective bargaining agreement under the federal Labor-Management Relations Act of 1947, United States Code, title 29, section 141, et seq.; the Minnesota comprehensive health association; health coverage offered by fraternal organizations, professional associations, or other organizations; state and federal health care programs; state and local public employee health plans; workers' compensation plans; and the medical component of automobile insurance coverage.

This section expires June 30, 2000."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 46 and nays 19, as follows:

Those who voted in the affirmative were:

Beckman	Hanson	Kramer	Neuville	Scheevel
Belanger	Hottinger	Kroening	Oliver	Solon
Berg	Janezich	Laidig	Olson	Stevens
Bertram	Johnson, D.E.	Langseth	Ourada	Stumpf
Chandler	Johnson, D.J.	Larson	Pariseau	Terwilliger
Chmielewski	Johnson, J.B.	Lesewski	Riveness	Vickerman
Day	Johnston	Lessard	Robertson	
Dille	Kelly	Limmer	Runbeck	
Finn	Kleis	Metzen	Sams	
Frederickson	Knutson	Murphy	Samuelson	

Those who voted in the negative were:

Anderson	Kiscaden	Moe, R.D.	Piper	Reichgott Junge
Berglin	Krentz	Mondale	Pogemiller	Spear
Betzold	Marty	Morse	Price	Wiener
Cohen	Merriam	Pappas	Ranum	

The motion prevailed. So the amendment was adopted.

Mr. Hottinger moved to amend S.F. No. 845 as follows:

Page 154, after line 27, insert:

"Sec. 9. [62J.475] [MORATORIUM ON ENROLLMENT.]

Subdivision 1. [DEFINITION.] For purposes of this section, "health carrier" and "health plan" have the meanings given in section 62A.011. The term "health carrier" also includes community integrated service networks.

Subd. 2. [RESTRICTIONS.] By July 1, 1995, the commissioner of health, after consulting with the commissioner of commerce, shall publish in the State Register: (1) the number of Minnesota residents enrolled in group health plans; and (2) the number of these residents, expressed as a percentage of the number of residents in group health plans, enrolled by the state's largest health plan company. Until July 1, 1997, no health carrier may enroll more health plan members than the number of members in clause (2) plus an additional number of members equal to one percentage point of all Minnesota residents enrolled in group plans.

Subd. 3. [EXCEPTION.] A health carrier is exempt from subdivision 2 if the increased enrollment is the result of an expansion into a part of the state where there are no other health carriers offering services.

Subd. 4. [ENFORCEMENT.] The district court of Ramsey county has jurisdiction to enjoin an alleged violation of subdivision 2. The attorney general may bring an action to enjoin an alleged violation. The commissioner of health or commerce shall not issue or renew a license or certificate of authority to any health carrier in violation of subdivision 2.

Subd. 5. [REPORT.] (a) The commissioners of health and commerce shall submit a report to the legislature by October 1, 1995, listing the number of Minnesota residents enrolled with each of the six largest health carriers in the following areas:

(1) the state; and

(2) each of the six regional coordinating board regions of the state.

(b) The report shall also contain a list of each of the numbers under paragraph (a) expressed as a percentage of covered Minnesota residents in each of those areas. The report must separate the numbers listed in paragraph (a) into enrollees in group plans and enrollees in individual plans.

Subd. 6. [EFFECTIVE DATE AND EXPIRATION.] This section is effective the day after final enactment and expires June 30, 1997."

Page 169, after line 35, insert:

"Sec. 34. Minnesota Statutes 1994, section 325D.53, is amended by adding a subdivision to read:

Subd. 4. [HEALTH CARE PROVIDERS; RELEVANT MARKET.] (a) For purposes of sections 325D.49 to 325D.66, relevant geographic markets for health care providers are each area encompassed by a regional coordinating board.

The determination of whether a person has violated sections 325D.49 to 325D.66 must include use of relevant geographic markets no larger than the areas specified in this section. This paragraph does not prohibit the use of smaller or other relevant geographic markets in addition to the ones specified in this paragraph.

(b) For purposes of this section, the following terms have the meanings given:

(1) "health care provider" has the meaning given in section 62J.03; and

(2) "regional coordinating board" means a regional coordinating board established in section 62J.09."

Page 171, line 20, delete "28 to 33" and insert "29 to 33 and 35"

Page 171, line 21, after the period, insert "Section 34 is retroactive to January 1, 1995."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 5 and nays 58, as follows:

Those who voted in the affirmative were:

Anderson	Chandler	Hottinger	Pappas	Runbeck
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Those who voted in the negative were:

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

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

Mr. Knutson moved to amend S.F. No. 845 as follows:

Page 40, line 8, before "Health" insert "Subdivision 1. [AVAILABLE POLICIES.]"

Page 40, line 11, after the period, insert "Notwithstanding any other provision of law, health plan companies may also choose to offer a backup supplemental health policy as defined below."

Page 40, after line 21, insert:

"Subd. 2. [BACKUP SUPPLEMENTAL HEALTH BENEFIT POLICY.] The term "backup supplemental health benefit policy" means an unlimited choice of provider plan offered on a regional or multiregional basis, which provides under circumstances specified by the policy, coverage for some or all services and items included in the standard health coverage established under chapter 62Q or 62E, in individual cases when, although offered as a legitimate treatment by a physician, they are denied by the insurer or the health plan company or the utilization review organization on the ground that the service or item is not medically necessary or appropriate, on the ground that the service or item is inconsistent with medically appropriate guidelines or practice parameters, or on other grounds under which denial of an item or service covered by the standard health coverage is permitted."

Page 44, after line 34, insert:

"Sec. 4. Minnesota Statutes 1994, section 62P.04, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] (a) For purposes of this section, the following definitions apply.

(b) "Health plan company" has the definition provided in section 62Q.01.

(c) "Total expenditures" means incurred claims or expenditures on health care services, excluding health care expenditures paid for through a backup supplemental health benefit policy, administrative expenses, charitable contributions, and all other payments made by health plan companies out of premium revenues.

(d) "Net expenditures" means total expenditures minus exempted taxes and assessments and payments or allocations made to establish or maintain reserves.

(e) "Exempted taxes and assessments" means direct payments for taxes to government agencies, contributions to the Minnesota comprehensive health association, the medical assistance provider's surcharge under section 256.9657, the MinnesotaCare provider tax under section

295.52, assessments by the health coverage reinsurance association, assessments by the Minnesota life and health insurance guaranty association, assessments by the Minnesota risk adjustment association, and any new assessments imposed by federal or state law.

(f) "Consumer cost-sharing or subscriber liability" means enrollee coinsurance, copayment, deductible payments, and amounts in excess of benefit plan maximums."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Ms. Berglin requested division of the amendment as follows:

First portion:

Page 40, line 8, before "Health" insert "Subdivision 1. [AVAILABLE POLICIES.]"

Page 40, line 11, after the period, insert "Notwithstanding any other provision of law, health plan companies may also choose to offer a backup supplemental health policy as defined below."

Page 40, after line 21, insert:

"Subd. 2. [BACKUP SUPPLEMENTAL HEALTH BENEFIT POLICY.] The term "backup supplemental health benefit policy" means an unlimited choice of provider plan offered on a regional or multiregional basis, which provides under circumstances specified by the policy, coverage for some or all services and items included in the standard health coverage established under chapter 62Q or 62E, in individual cases when, although offered as a legitimate treatment by a physician, they are denied by the insurer or the health plan company or the utilization review organization on the ground that the service or item is not medically necessary or appropriate, on the ground that the service or item is inconsistent with medically appropriate guidelines or practice parameters, or on other grounds under which denial of an item or service covered by the standard health coverage is permitted."

Second portion:

Page 44, after line 34, insert:

"Sec. 4. Minnesota Statutes 1994, section 62P.04, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] (a) For purposes of this section, the following definitions apply.

(b) "Health plan company" has the definition provided in section 62Q.01.

(c) "Total expenditures" means incurred claims or expenditures on health care services, excluding health care expenditures paid for through a backup supplemental health benefit policy, administrative expenses, charitable contributions, and all other payments made by health plan companies out of premium revenues.

(d) "Net expenditures" means total expenditures minus exempted taxes and assessments and payments or allocations made to establish or maintain reserves.

(e) "Exempted taxes and assessments" means direct payments for taxes to government agencies, contributions to the Minnesota comprehensive health association, the medical assistance provider's surcharge under section 256.9657, the MinnesotaCare provider tax under section 295.52, assessments by the health coverage reinsurance association, assessments by the Minnesota life and health insurance guaranty association, assessments by the Minnesota risk adjustment association, and any new assessments imposed by federal or state law.

(f) "Consumer cost-sharing or subscriber liability" means enrollee coinsurance, copayment, deductible payments, and amounts in excess of benefit plan maximums."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the first portion of the Knutson amendment. The motion prevailed. So the first portion of the amendment was adopted.

The question was taken on the adoption of the second portion of the Knutson amendment.

Ms. Berglin moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 32 and nays 33, as follows:

Those who voted in the affirmative were:

Beckman	Frederickson	Kroening	Murphy	Stevens
Belanger	Johnson, D.E.	Laidig	Neuville	Stumpf
Berg	Johnston	Langseth	Olson	Terwilliger
Bertram	Kelly	Larson	Ourada	Vickerman
Chmielewski	Kleis	Lesewski	Pariseau	
Day	Knutson	Lessard	Samuelson	
Dille	Kramer	Limmer	Scheevel	

Those who voted in the negative were:

Anderson	Hottinger	Merriam	Piper	Runbeck
Berglin	Janezich	Metzen	Pogemiller	Sams
Betzold	Johnson, D.J.	Moe, R.D.	Price	Solon
Chandler	Johnson, J.B.	Mondale	Ranum	Spear
Cohen	Kiscaden	Morse	Reichgott Junge	Wiener
Finn	Krentz	Oliver	Riveness	
Flynn	Marty	Pappas	Robertson	

The motion did not prevail. So the second portion of the Knutson amendment was not adopted.

Mr. Neuville moved to amend S.F. No. 845 as follows:

Page 100, line 22, before "'Covered" insert "(a)"

Page 101, after line 1, insert:

"(b) MinnesotaCare shall not cover "elective abortions." For purposes of this requirement, "elective abortion" means an abortion other than where, in the professional judgment of the attending physician, which is a medical judgment that would be made by a reasonably prudent physician, knowledgeable about the case and the treatment possibilities with respect to the medical conditions involved, the life of the female would be endangered or substantial and irreversible impairment of a major bodily function would result if the fetus were carried to term; where the pregnancy is the result of criminal sexual conduct in the first or second degree committed with force or violence, and the incident is reported within 48 hours after the victim becomes physically able to report the rape; or where the pregnancy is the result of incest and the incident and relative are reported to a valid law enforcement agency prior to the abortion."

Ms. Berglin moved to amend the Neuville amendment to S.F. No. 845 as follows:

Page 1, line 4, delete "not" and delete ".'" and insert ",'" but shall only pay for elective abortions with the enrollee's premiums."

The question was taken on the adoption of the Berglin amendment to the Neuville amendment.

The roll was called, and there were yeas 32 and nays 34, as follows:

Those who voted in the affirmative were:

Anderson	Hottinger	Limmer	Pappas	Robertson
Berglin	Janezich	Marty	Piper	Solon
Betzold	Johnson, J.B.	Metzen	Pogemiller	Spear
Chandler	Kelly	Moe, R.D.	Price	Wiener
Cohen	Kiscaden	Mondale	Ranum	
Finn	Krentz	Morse	Reichgott Junge	
Flynn	Lessard	Oliver	Riveness	



Those who voted in the negative were:

Beckman	Frederickson	Kramer	Murphy	Samuelson
Belanger	Hanson	Kroening	Neuville	Scheevel
Berg	Johnson, D.E.	Laidig	Olson	Stevens
Bertram	Johnson, D.J.	Langseth	Ourada	Stumpf
Chmielewski	Johnston	Larson	Pariseau	Terwilliger
Day	Kleis	Lesewski	Runbeck	Vickerman
Dille	Knutson	Merriam	Sams	

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

Ms. Berglin moved that S.F. No. 845 be laid on the table. The motion prevailed.

### MOTIONS AND RESOLUTIONS - CONTINUED

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate revert to the Orders of Business of Messages From the House, Reports of Committees, Second Reading of Senate Bills and Second Reading of House Bills. The motion prevailed.

### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the adoption by the House of the following Senate Concurrent Resolution, herewith returned:

**Senate Concurrent Resolution No. 9:** A Senate concurrent resolution providing for a joint convention of the Senate and the House of Representatives to elect members of the Board of Regents of the University of Minnesota.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 1, 1995

### REPORTS OF COMMITTEES

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

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

**S.F. No. 1136:** A bill for an act relating to human services; providing firearms background check; providing mental health services; adding provisions for paternity testing; adding provisions for paternity and child support; consolidating the prepaid medical assistance; providing penalties; amending Minnesota Statutes 1994, sections 245.041; 245.4871, subdivisions 12 and 33a; 245.4873, subdivision 6; 245.4874; 245.4875, subdivision 2; 245.4878; 245.4885, subdivision 2; 253B.091; 256.015, subdivision 7; 256.025, subdivisions 1 and 3; 256.12, subdivision 14; 256.74, by adding a subdivision; 256.76, subdivision 1; 256B.69, subdivisions 4, 6, and by adding subdivisions; 256E.08, subdivision 8; 257.55, subdivision 1; 257.57, subdivision 2; 257.62, subdivisions 1, 5, and 6; 257.64, subdivision 3; 257.69, subdivisions 1 and 2; 518.171, subdivisions 1, 3, 4, 5, 7, and 8; 518.611, subdivisions 2 and 4; 518.613, subdivision 7; and 518.615, subdivision 3; repealing Minnesota Statutes 1994, sections 62C.141; 62C.143; 62D.106; and 62E.04, subdivisions 9 and 10.

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

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

**S.F. No. 1551:** A bill for an act relating to agricultural economics; providing loans and

incentives for agricultural energy resources development for family farms and cooperatives; amending Minnesota Statutes 1994, sections 41B.02, subdivision 19; 41B.046, subdivision 1, and by adding a subdivision; and 216C.41, subdivisions 1, 2, 3, and 4.

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

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

**H.F. No. 617:** A bill for an act relating to retirement; various public pension plans; providing for the suspension or forfeiture of certain survivor benefits in the event of certain felonious deaths; making various individual and small group pension accommodations; making various pension plan administrative changes; recodifying the individual retirement account plan and making various other modifications; amending Minnesota Statutes 1994, sections 11A.23, subdivision 4; 352.12, subdivisions 1, 2, 2a, and 6; 352B.105; 352D.02, subdivision 1; 354.05, subdivisions 2a, 5, 35, and 40; 354.06, subdivision 4; 354.44, by adding a subdivision; 354.52, subdivision 4a; 354A.011, subdivision 27, and by adding a subdivision; 354A.12, subdivision 3d; 354A.31, by adding a subdivision; 355.61; 356.215, subdivisions 4d and 4g; 356.24, subdivision 1; 383B.48; and 383B.49; proposing coding for new law in Minnesota Statutes, chapters 354B; 354C and 356; repealing Minnesota Statutes 1994, sections 352D.02, subdivision 1a; 354B.01; 354B.015; 354B.02; 354B.035; 354B.04; 354B.045; 354B.05; 354B.06; 354B.07; 354B.08; 354B.085; 354B.09; and 354B.15; Laws 1990, chapter 570, article 3, sections 10 and 11, as amended; Laws 1993, chapters 192, section 89, and 239, article 5, section 2; and Laws 1994, chapters 508, article 1, section 14; and 572, sections 11 and 12.

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

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

**S.F. No. 979:** A bill for an act relating to motor carriers; regulating hazardous material transporters; requiring fingerprints of motor carrier managers for criminal background checks; making technical changes related to calculating proportional mileage under the international registration plan; specifying violations that may result in suspension or revocation of permit; making technical changes relating to hazardous waste transporter licenses; providing for disposition of fees collected for hazardous material registration, licensing, and permitting; amending Minnesota Statutes 1994, section 221.0355, subdivisions 3, 5, 6, 12, 15, and by adding a subdivision.

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

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

**S.F. No. 1314:** 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 subdivisions; 115B.17, by adding a subdivision; 115B.175, subdivisions 2 and 3; and 115B.178, subdivision 1.

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

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

**S.F. No. 604:** A bill for an act relating to children's supervised visitation facilities; amending Minnesota Statutes 1994, sections 256F.09, subdivisions 1, 2, 3, and by adding subdivisions; and 357.021, subdivisions 2 and 2a; repealing Minnesota Statutes 1994, section 256F.09, subdivision 4.

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

Pages 4 and 5, delete sections 6 and 7 and insert:

"Sec. 6. Minnesota Statutes 1994, section 517.08, subdivision 1b, is amended to read:

Subd. 1b. [TERM OF LICENSE; FEE.] The court administrator shall examine upon oath the party applying for a license relative to the legality of the contemplated marriage. If at the expiration of a five-day period, on being satisfied that there is no legal impediment to it, the court administrator shall issue the license, containing the full names of the parties before and after marriage, and county and state of residence, with the district court seal attached, and make a record of the date of issuance. The license shall be valid for a period of six months. In case of emergency or extraordinary circumstances, a judge of the county court or a judge of the district court of the county in which the application is made, may authorize the license to be issued at any time before the expiration of the five days. The court administrator shall collect from the applicant a fee of ~~\$65~~ \$68 for administering the oath, issuing, recording, and filing all papers required, and preparing and transmitting to the state registrar of vital statistics the reports of marriage required by this section. If the license should not be used within the period of six months due to illness or other extenuating circumstances, it may be surrendered to the court administrator for cancellation, and in that case a new license shall issue upon request of the parties of the original license without fee. A court administrator who knowingly issues or signs a marriage license in any manner other than as provided in this section shall pay to the parties aggrieved an amount not to exceed \$1,000.

Sec. 7. Minnesota Statutes 1994, section 517.08, subdivision 1c, is amended to read:

Subd. 1c. [DISPOSITION OF LICENSE FEE.] Of the marriage license fee collected pursuant to subdivision 1b, the court administrator shall pay ~~\$50~~ \$53 to the state treasurer to be deposited in ~~the general fund~~ as follows: \$50 in the general fund, and \$3 in the special revenue fund to be appropriated to the commissioner of human services for supervised visitation facilities under section 256F.09.

Sec. 8. [APPROPRIATION.]

\$96,000 in fiscal year 1996 and \$96,000 in fiscal year 1997 are appropriated from the state government special revenue fund to the commissioner of human services for supervised visitation facilities under Minnesota Statutes, section 256F.09."

Page 5, line 35, delete "8" and insert "9"

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "appropriating money;"

Page 1, line 5, delete "357.021, subdivisions 2 and 2a" and insert "517.08, subdivisions 1b and 1c"

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

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

**S.F. No. 1246:** A bill for an act relating to state government; abolishing periodic reports; repealing obsolete rules of the departments of agriculture, commerce, health, human services, public safety, public service, and revenue and the pollution control agency; removing internal references to repealed rules; providing a deadline for certain actions by state and local government agencies; clarifying statutory waiver requirements with respect to the housing finance agency for the civil service pilot project; requiring legislative review of certain agency reorganization efforts; establishing the office of citizen advocate in the department of administration; modifying provisions relating to data classification; workers' compensation premium collection; employment classifications and procedures; and benefits; providing penalties; establishing a task force to recommend a governmental structure for environmental and natural resource functions and services; requiring establishment of an employee participation committee before agency restructuring; abolishing the department of natural resources, the board of water and soil resources, the office of environmental assistance, the pollution control agency, the environmental quality board, the harmful substances compensation board, the petroleum tank release compensation board, and the agricultural chemical response board; providing for appointments; abolishing the transportation regulation board; transferring its functions to other agencies; appropriating money; amending Minnesota Statutes 1994, sections 13.67; 15A.081, subdivision 1; 43A.04, subdivision 1; 43A.08, subdivision 1; 43A.10, subdivision 8; 43A.13, subdivision 6;

43A.15, by adding a subdivision; 43A.19, subdivision 1; 43A.191, subdivisions 1, 2, and 3; 43A.24, subdivision 2; 43A.27, subdivision 3; 43A.316; 43A.317, subdivision 5; 62J.45, subdivision 8; 174.02, subdivisions 4, 5, and by adding subdivisions; 174.06, by adding a subdivision; 174.10; 218.041, subdivision 6; 219.074, subdivisions 1 and 2; 256B.0644; and 356.87; Minnesota Rules, parts 1540.2140; 7001.0140, subpart 2; 7001.0180; 8130.3500, subpart 3; and 8130.6500, subpart 5; proposing coding for new law in Minnesota Statutes, chapters 15; 16B; and 174; repealing Minnesota Statutes 1994, sections 174A.01; 174A.02; 174A.03; 174A.04; 174.05; 174.06; 218.011, subdivision 7; and 218.041, subdivision 7; Minnesota Rules, parts 1540.0010, subparts 12, 18, 21, 22, and 24; 1540.0060; 1540.0070; 1540.0080; 1540.0100; 1540.0110; 1540.0120; 1540.0130; 1540.0140; 1540.0150; 1540.0160; 1540.0170; 1540.0180; 1540.0190; 1540.0200; 1540.0210; 1540.0220; 1540.0230; 1540.0240; 1540.0260; 1540.0320; 1540.0330; 1540.0340; 1540.0350; 1540.0370; 1540.0380; 1540.0390; 1540.0400; 1540.0410; 1540.0420; 1540.0440; 1540.0450; 1540.0460; 1540.0490; 1540.0500; 1540.0510; 1540.0520; 1540.0770; 1540.0780; 1540.0800; 1540.0810; 1540.0830; 1540.0880; 1540.0890; 1540.0900; 1540.0910; 1540.0920; 1540.0930; 1540.0940; 1540.0950; 1540.0960; 1540.0970; 1540.0980; 1540.0990; 1540.1000; 1540.1005; 1540.1010; 1540.1020; 1540.1030; 1540.1040; 1540.1050; 1540.1060; 1540.1070; 1540.1080; 1540.1090; 1540.1100; 1540.1110; 1540.1120; 1540.1130; 1540.1140; 1540.1150; 1540.1160; 1540.1170; 1540.1180; 1540.1190; 1540.1200; 1540.1210; 1540.1220; 1540.1230; 1540.1240; 1540.1250; 1540.1255; 1540.1260; 1540.1280; 1540.1290; 1540.1300; 1540.1310; 1540.1320; 1540.1330; 1540.1340; 1540.1350; 1540.1360; 1540.1380; 1540.1400; 1540.1410; 1540.1420; 1540.1430; 1540.1440; 1540.1450; 1540.1460; 1540.1470; 1540.1490; 1540.1500; 1540.1510; 1540.1520; 1540.1530; 1540.1540; 1540.1550; 1540.1560; 1549.1570; 1540.1580; 1540.1590; 1540.1600; 1540.1610; 1540.1620; 1540.1630; 1540.1640; 1540.1650; 1540.1660; 1540.1670; 1540.1680; 1540.1690; 1540.1700; 1540.1710; 1540.1720; 1540.1730; 1540.1740; 1540.1750; 1540.1760; 1540.1770; 1540.1780; 1540.1790; 1540.1800; 1540.1810; 1540.1820; 1540.1830; 1540.1840; 1540.1850; 1540.1860; 1540.1870; 1540.1880; 1540.1890; 1540.1900; 1540.1905; 1540.1910; 1540.1920; 1540.1930; 1540.1940; 1540.1950; 1540.1960; 1540.1970; 1540.1980; 1540.1990; 1540.2000; 1540.2010; 1540.2015; 1540.2020; 1540.2090; 1540.2100; 1540.2110; 1540.2120; 1540.2180; 1540.2190; 1540.2200; 1540.2210; 1540.2220; 1540.2230; 1540.2240; 1540.2250; 1540.2260; 1540.2270; 1540.2280; 1540.2290; 1540.2300; 1540.2310; 1540.2320; 1540.2325; 1540.2330; 1540.2340; 1540.2350; 1540.2360; 1540.2370; 1540.2380; 1540.2390; 1540.2400; 1540.2410; 1540.2420; 1540.2430; 1540.2440; 1540.2450; 1540.2490; 1540.2500; 1540.2510; 1540.2530; 1540.2540; 1540.2550; 1540.2560; 1540.2570; 1540.2580; 1540.2590; 1540.2610; 1540.2630; 1540.2640; 1540.2650; 1540.2660; 1540.2720; 1540.2730; 1540.2740; 1540.2760; 1540.2770; 1540.2780; 1540.2790; 1540.2800; 1540.2810; 1540.2820; 1540.2830; 1540.2840; 1540.3420; 1540.3430; 1540.3440; 1540.3450; 1540.3460; 1540.3470; 1540.3560; 1540.3600; 1540.3610; 1540.3620; 1540.3630; 1540.3700; 1540.3780; 1540.3960; 1540.3970; 1540.3980; 1540.3990; 1540.4000; 1540.4010; 1540.4020; 1540.4030; 1540.4040; 1540.4080; 1540.4190; 1540.4200; 1540.4210; 1540.4220; 1540.4320; 1540.4330; 1540.4340; 2642.0120, subpart 1; 2650.0100; 2650.0200; 2650.0300; 2650.0400; 2650.0500; 2650.0600; 2650.1100; 2650.1200; 2650.1300; 2650.1400; 2650.1500; 2650.1600; 2650.1700; 2650.1800; 2650.1900; 2650.2000; 2650.2100; 2650.3100; 2650.3200; 2650.3300; 2650.3400; 2650.3500; 2650.3600; 2650.3700; 2650.3800; 2650.3900; 2650.4000; 2650.4100; 2655.1000; 2660.0070; 2770.7400; 4610.2210; 7002.0410; 7002.0420; 7002.0430; 7002.0440; 7002.0450; 7002.0460; 7002.0470; 7002.0480; 7002.0490; 7047.0010; 7047.0020; 7047.0030; 7047.0040; 7047.0050; 7047.0060; 7047.0070; 7100.0300; 7100.0310; 7100.0320; 7100.0330; 7100.0335; 7100.0340; 7100.0350; 7510.6100; 7510.6200; 7510.6300; 7510.6350; 7510.6400; 7510.6500; 7510.6600; 7510.6700; 7510.6800; 7510.6900; 7510.6910; 7600.0100; 7600.0200; 7600.0300; 7600.0400; 7600.0500; 7600.0600; 7600.0700; 7600.0800; 7600.0900; 7600.1000; 7600.1100; 7600.1200; 7600.1300; 7600.1400; 7600.1500; 7600.1600; 7600.1700; 7600.1800; 7600.1900; 7600.2000; 7600.2100; 7600.2200; 7600.2300; 7600.2400; 7600.2500; 7600.2600; 7600.2700; 7600.2800; 7600.2900; 7600.3000; 7600.3100; 7600.3200; 7600.3300; 7600.3400; 7600.3500; 7600.3600; 7600.3700; 7600.3800; 7600.3900; 7600.4000; 7600.4100; 7600.4200; 7600.4300; 7600.4400; 7600.4500; 7600.4600; 7600.4700; 7600.4800; 7600.4900; 7600.5000; 7600.5100; 7600.5200; 7600.5300; 7600.5400; 7600.5500; 7600.5600; 7600.5700; 7600.5800; 7600.5900; 7600.6000; 7600.6100; 7600.6200; 7600.6300; 7600.6400; 7600.6500; 7600.6600; 7600.6700; 7600.6800; 7600.6900; 7600.7000; 7600.7100; 7600.7200; 7600.7210; 7600.7300; 7600.7400; 7600.7500; 7600.7600; 7600.7700; 7600.7750; 7600.7800; 7600.7900; 7600.8100; 7600.8200; 7600.8300; 7600.8400; 7600.8500; 7600.8600; 7600.8700; 7600.8800; 7600.8900; 7600.9000; 7600.9100; 7600.9200; 7600.9300; 7600.9400; 7600.9500; 7600.9600; 7600.9700;

7600.9800; 7600.9900; 7625.0100; 7625.0110; 7625.0120; 7625.0200; 7625.0210; 7625.0220; 7625.0230; 8120.1100, subpart 3; 8121.0500, subpart 2; 8130.9912; 8130.9913; 8130.9916; 8130.9920; 8130.9930; 8130.9956; 8130.9958; 8130.9968; 8130.9972; 8130.9980; 8130.9992; 8850.6900; 9540.0100; 9540.0200; 9540.0300; 9540.0400; 9540.0500; 9540.1000; 9540.1100; 9540.1200; 9540.1300; 9540.1400; 9540.1500; 9540.2000; 9540.2100; 9540.2200; 9540.2300; 9540.2400; 9540.2500; 9540.2600; and 9540.2700.

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

Page 17, delete section 3

Amend the title as follows:

Page 1, line 31, delete "appropriating money;"

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

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

**S.F. No. 877:** A bill for an act relating to construction; changing and clarifying law relating to the building code and zoning law; amending the interstate compact on industrialized/modular buildings; amending Minnesota Statutes 1994, sections 16B.59; 16B.60, subdivisions 1 and 4; 16B.61, subdivisions 1, 2, and 5; 16B.63, subdivision 3, and by adding a subdivision; 16B.65, subdivisions 1, 3, 4, and 7; 16B.67; 16B.70; 16B.75; 366.10; 366.12; 366.16; 394.33, subdivision 2; 394.361, subdivision 3; 462.358, subdivisions 2a and 9; and 462.359, subdivision 4.

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

Page 10, line 5, before the period, insert ", and beginning July 1, 1997, the receipts are appropriated to the commissioner for purposes of sections 16B.59 to 16B.75"

Page 10, after line 5, insert:

"Sec. 15. [APPROPRIATION.]

\$1,000,000 in fiscal year 1996 and \$1,000,000 in fiscal year 1997 is appropriated from the special revenue fund for transfer by the commissioner of finance to the general fund."

Amend the title as follows:

Page 1, line 5, after the semicolon, insert "appropriating money;"

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

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

**S.F. No. 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, subdivisions 1, 2, and by adding a subdivision; 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 17, line 35, delete everything after the period

Page 17, delete line 36

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

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

**S.F. No. 339:** A bill for an act relating to ethics in government; making advisory opinions public data; authorizing civil penalties; clarifying certain definitions; clarifying and authorizing exceptions to the ban on gifts; appropriating money; amending Minnesota Statutes 1994, sections 10A.02, subdivision 12; 10A.071, subdivisions 1, 3, and by adding a subdivision; 10A.29; 10A.34; and 471.895, subdivisions 1 and 3.

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

Page 6, delete section 9

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, delete "appropriating money;"

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

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

**H.F. No. 1246:** A bill for an act relating to child care; requiring child care for school age children not operated by a school to be licensed; changing the definition of toddler and preschooler for family day care programs serving siblings; amending Minnesota Statutes 1994, sections 245A.02, by adding subdivisions; 245A.03, subdivision 2; 245A.10; and 245A.14, subdivision 6.

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

Page 7, after line 13, insert:

"Sec. 8. [APPROPRIATION.]

\$60,000 in fiscal year 1996 and \$50,000 in fiscal year 1997 are appropriated from the general fund to the commissioner of human services for the purposes of this act."

Amend the title as follows:

Page 1, line 6, after the semicolon, insert "appropriating money;"

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

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

**S.F. No. 255:** A bill for an act relating to elevators; regulating persons who may do elevator work; appropriating money; amending Minnesota Statutes 1994, sections 183.355, subdivision 3; 183.357, subdivisions 1, 2, and 4; and 183.358; proposing coding for new law in Minnesota Statutes, chapter 183.

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

Page 1, line 16, delete "two" and insert "five"

Page 3, line 20, after the period, insert "Section 5 is effective July 1, 1997."

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

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

**S.F. No. 429:** A bill for an act relating to agriculture; extending the sunset date for the farmer-lender mediation act; providing for a study of expansion of the mediation program; amending Laws 1986, chapter 398, article 1, section 18, as amended.

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

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

**S.F. No. 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; abolishing the metropolitan radio board on a certain date and transferring its duties and responsibilities; 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 8, delete lines 1 to 7

Page 9, line 11, before "operating" insert "constructing and"

Page 21, line 35, delete "shall be \$563,000" and insert "is \$293,000. For fiscal year 1997, the appropriation from the 911 emergency telephone service fee account is \$93,000"

Page 21, after line 35, insert:

"Subd. 3. [SYSTEM DESIGN.] \$194,000 is appropriated from the trunk highway fund to the commissioner of transportation to design the regional public safety radio system, to remain available until expended."

Amend the title as follows:

Page 1, line 13, after the semicolon, insert "appropriating money;"

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

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

**S.F. No. 1393:** A bill for an act relating to public finance; providing conditions and requirements for the issuance of debt and use of the proceeds; providing procedures for use of obligations to satisfy unfunded pension liabilities; authorizing use of capital improvement bonds for indoor ice arenas; exempting issuance of certain debt from election requirements; authorizing home rule charter cities to issue tax anticipation certificates; authorizing operation of certain recreational facilities; providing for the computation of tax increment from certain hazardous substance subdistricts; authorizing continuing disclosure agreements; providing for funding of self-insurance by political subdivisions; providing for the issuance of temporary obligations and modifying issuance procedures; amending Minnesota Statutes 1994, sections 353A.09, subdivision 5; 373.40, subdivision 1; 423A.02, subdivision 1; 447.46; 462C.05, subdivision 1; 469.041; 469.060, subdivision 1; 469.102, subdivision 1; 469.174, subdivision 4, and by adding subdivisions; 469.175, subdivision 1; 469.177, subdivisions 1, 1a, and 2; 471.16, subdivision 1; 471.191, subdivisions 1 and 2; 471.56, by adding a subdivision; 471.98, subdivision 3; 471.981, subdivisions 2, 4a, 4b, and 4c; 475.51, subdivision 4; 475.52, subdivision 6; 475.58, subdivision 1, and by adding a subdivision; 475.60, by adding a subdivision; 475.61, by adding a subdivision; 475.63; and 475.79; proposing coding for new law in Minnesota Statutes, chapters 373; and 410.

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

Pages 1 to 3, delete section 1

Page 4, line 31, delete "3" and insert "2"

Page 5, line 29, delete "3" and insert "2"

Page 5, line 30, after the period, insert "Notwithstanding section 373.40, subdivision 2, a referendum is required under section 475.58 for issuance of bonds to finance these facilities."

Pages 6 and 7, delete section 6

Page 11, line 6, delete "for" and insert "and bonds"

Page 11, line 7, delete "bonds" and insert "for the project"

Page 11, line 8, delete "for a recreational" and insert ", subdivision 2, as though the project were a recreation"

Pages 11 and 12, delete sections 10 and 11

Pages 21 and 22, delete section 22

Page 25, line 2, after the period, insert "The proceeds from bonds issued under this subdivision must be held in trust and may only be paid to the self-insurer according to the schedule of payments set forth in the trust instruments."

A qualified actuary shall certify that the amount of the scheduled payment does not exceed the amount necessary to meet the obligation of the self-insurer at the time payment is scheduled to be made."

Pages 28 and 29, delete section 31 and insert:

"Sec. 26. Minnesota Statutes 1994, section 475.58, is amended by adding a subdivision to read:

Subd. 3. [LARGE CITIES; WATER UTILITY BONDS.] A city that has a population in excess of 200,000 may issue general obligations pledging its full faith and credit without an election to acquire, construct, and improve its water utility if the city covenants that rates and charges will be imposed and collected at the times and in the amounts required to produce, together with any taxes or special assessments designated as a primary source of payment of the obligations, net revenues adequate to pay all principal and interest when due on the obligations and to create and maintain reserves securing the payments as may be provided in the resolutions."

Page 31, after line 22, insert:

"Sec. 31. Laws 1971, chapter 773, section 4, as amended by Laws 1976, chapter 234, section 2, is amended to read:

Sec. 4. No proceeds of any bonds issued pursuant to section 1, hereof shall be expended for the construction or equipment of any portion of the St. Paul auditorium or civic center connected thereto; not shall any such proceeds be expended for the acquisition or betterment of the building known as the Lowry Medical Arts Annex. All bonds issued under this act shall mature at any time or times within ~~ten~~ 30 years from the date of issue."

Page 31, line 24, after "enactment" insert ", provided that section 31 is effective only after its approval by a majority of the governing body of the city of St. Paul and upon compliance with the provisions of Minnesota Statutes, section 645.021"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, delete everything after the semicolon

Page 1, line 5, delete everything before "authorizing"



Page 1, line 18, delete "353A.09, subdivision 5;"

Page 1, line 19, delete "423A.02, subdivision 1;"

Page 1, line 20, delete everything after the second semicolon

Page 1, line 21, delete "subdivision 1;"

Page 1, lines 24 and 25, delete "471.56, by adding a subdivision;"

Page 1, line 29, after "475.79;" insert "Laws 1971, chapter 773, section 4, as amended;"

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

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

**H.F. No. 2:** A bill for an act relating to the environment; automobile emissions; providing that a vehicle need not be inspected until the year of its registration is five years more than its model year; changing the inspection fee; providing a contingent expiration date for the inspection program; amending Minnesota Statutes 1994, sections 116.61, subdivision 1, and by adding a subdivision; 116.64, subdivision 1.

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

Page 2, line 6, delete "of its next registration" and insert "in which it is being registered"

Page 2, delete sections 4 and 5 and insert:

"Sec. 4. [REPORT ON NEED FOR VEHICLE EMISSION INSPECTION PROGRAM.]

(a) The commissioner of the pollution control agency, in consultation with the United States Environmental Protection Agency, shall take all reasonable steps to enable the state, by July 1, 1998, to comply with the federal Clean Air Act without having to continue the motor vehicle emission inspection program.

(b) By December 15, 1997, the commissioner shall submit to the chairs of the environment and natural resources committees of the legislature a report that includes:

(1) a description of the commissioner's efforts under paragraph (a) and the results of those efforts;

(2) an analysis of the state's attainment status under the federal Clean Air Act as it relates to the need for a motor vehicle emission inspection program; and

(3) recommendations regarding continuation of the motor vehicle emission inspection program after July 1, 1998."

Amend the title as follows:

Page 1, line 5, delete from "providing" through page 1, line 7, to "program" and insert "requiring a report"

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

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

**S.F. No. 1122:** A bill for an act relating to the environment; establishing a program for funding response actions to address environmental contamination from drycleaning facilities; proposing coding for new law in Minnesota Statutes, chapter 115B.

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

Page 2, line 36, delete "and"

Page 3, line 1, before the period, insert "; and

(4) for administrative costs of the commissioner of revenue"

Page 3, lines 9, 10, and 11, before "employees" insert "full-time equivalent"

Page 3, line 14, after "revenue" insert "in a manner prescribed by the commissioner of revenue"

Page 3, line 32, after the period, insert "The commissioner shall notify the commissioner of revenue of an adjustment under this paragraph no later than March 1 of the year in which the adjustment is to become effective. The adjustment is effective for sales of drycleaning solvents made, and annual registration fees due, beginning on July 1 of the same year."

Page 5, after line 13, insert:

"Sec. 6. [APPROPRIATION.]

\$29,000 is appropriated from the general fund to the commissioner of revenue for the purposes of this act, to be available until June 30, 1997, and must be reimbursed to the general fund from the drycleaner environmental response and reimbursement account by that date."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "appropriating money;"

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

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

**S.F. No. 503:** A bill for an act relating to civil actions; providing for the Minnesota collection enterprise; imposing duties and providing powers; providing for the disclosure of certain data; imposing a collection penalty; providing for venue of conciliation court actions; authorizing certain appearances; appropriating money; amending Minnesota Statutes 1994, sections 8.16, by adding a subdivision; 16D.02, subdivision 6, and by adding a subdivision; 16D.04, subdivisions 1 and 3; 16D.06; 16D.08, subdivision 2; 491A.01, subdivision 8; and 491A.02, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 16D.

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

Page 5, line 14, before "A" insert "As determined by the commissioner,"

Page 5, line 19, after "penalty" insert "under this section and the debtor's right to cancellation of the penalty under subdivision 3"

Page 5, line 26, after the period, insert "Penalties collected by private agencies are appropriated to the referring agency to pay the collection fees charged by the private agency. Penalty collections in excess of collection agency fees must be deposited in the general fund as nondedicated receipts."

Page 6, line 15, after "enterprise" insert "or collection agency"

Page 13, line 9, delete "set a goal to place" and insert "issue a request for proposals and place at least"

Page 13, line 12, delete "September 1, 1995" and insert "January 1, 1996"

Page 13, line 18, delete "1996" and insert "1997"

Page 13, line 20, delete "2 to 5" and insert "1 to 6, 11, 14, and 15"

Page 13, line 24, after the period, insert "Sections 9, 10, 12, and 13 are effective July 1, 1995."

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

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

**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.

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

Page 14, after line 17, insert:

"Sec. 10. [APPROPRIATION.]

\$10,000 in fiscal year 1996 and \$10,000 in fiscal year 1997 are appropriated from the state government special revenue fund to the state board of medical practice to license acupuncture practitioners under this act."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after "practice;" insert "appropriating money;"

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

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

**S.F. No. 1103:** A bill for an act relating to children's services; establishing the department of children, families, and learning; making related changes; amending Minnesota Statutes 1994, section 256F.13, subdivision 1; proposing coding for new law as Minnesota Statutes, chapter 119A.

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

Page 4, line 1, delete "(1)" and insert "(3)"

Page 4, line 36, delete "section" and insert "sections" and before the semicolon, insert "to 257.807"

Page 5, line 4, delete "257.803" and insert "256.01"

Page 5, line 10, before the period, insert ", subdivision 1"

Page 6, line 4, before the period, insert "and 299A.40"

Page 8, line 6, after "119A.04" insert "and programs transferred from the abolished department of education"

Page 8, line 10, delete "5a" and insert "6"

Page 8, line 18, delete "6" and insert "7"

Page 8, line 22, delete "7" and insert "8"

Page 13, line 32, delete "annually beginning" and insert "by"

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

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

**S.F. No. 1089:** A bill for an act relating to traffic regulations; exempting highways, freeways, and expressways from noise limits; requiring noise abatement study and measures for freeways and expressways contingent on available funding; requiring annual noise abatement report; providing for disposition of proceeds of fines collected for violation of work zone speed limits;

amending Minnesota Statutes 1994, sections 116.07, subdivision 2a; 160.02, by adding a subdivision; 161.125, subdivision 1; and 169.14, subdivision 5d.

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

Page 3, line 34, strike "The" and delete the new language

Page 3, lines 35 and 36, strike the old language and delete the new language

Page 4, lines 1 to 3, strike the old language and delete the new language

Amend the title as follows:

Page 1, line 6, delete from "providing" through page 1, line 8, to "limits;"

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

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

**H.F. No. 493:** A bill for an act relating to retirement; various local public employee pension plans; providing for various benefit modifications and related changes that require local governing body approval; repealing Laws 1969, chapter 1088; Laws 1971, chapter 114; Laws 1978, chapters 562, section 32; and 753; Laws 1979, chapters 97; 109, section 1; and 201, section 27; Laws 1981, chapters 157, section 1; and 224, sections 250 and 254; Laws 1985, chapter 259, section 3; and Laws 1990, chapter 570, article 7, section 4.

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

Page 2, delete line 27 and insert "before July 1, 1995."

Page 3, line 18, before the period, insert ", as determined by an actuary selected by the legislative commission on pensions and retirement"

Page 7, after line 3, insert:

"Sec. 7. [REPEALER.]

Minnesota Statutes 1994, section 423B.02, is repealed effective March 1, 1995."

ReNUMBER the sections in sequence

Amend the title as follows:

Page 1, line 5, before "Laws" insert "Minnesota Statutes 1994, section 423B.02;"

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

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

**S.F. No. 217:** A bill for an act relating to family law; providing for enforcement of child support obligations; expanding enforcement remedies for child support; authorizing programs; providing for resolution of custody and visitation disputes; creating a central child support payment center; modifying child support data collection and publication; imposing penalties; adding provisions relating to recognition of parentage; adding provisions for administrative proceedings; appropriating money; amending Minnesota Statutes 1994, sections 13.46, subdivision 2; 168A.05, subdivisions 2, 3, 7, and by adding a subdivision; 168A.16; 168A.20, by adding a subdivision; 168A.21; 168A.29, subdivision 1; 214.101, subdivisions 1 and 4; 256.87, subdivision 5; 256.978, subdivision 1; 257.34, subdivision 1, and by adding a subdivision; 257.55, subdivision 1; 257.57, subdivision 2; 257.60; 257.67, subdivision 1; 257.75, subdivision 3, and by adding a subdivision; 518.171, subdivision 2a; 518.24; 518.551, subdivision 12, and by adding subdivisions; 518.5511, subdivisions 1, 2, 3, 4, 5, 7, and 9; 518.575; 518.611, subdivisions 1, 2, 5, and 8a; 518.613, subdivisions 1 and 2; 518.614, subdivision 1; 518.64, subdivision 4, and by adding a subdivision; 518C.310; 548.15; and 609.375, subdivision 1; proposing coding for new

law in Minnesota Statutes, chapters 171; 256; 257; and 518; repealing Minnesota Statutes 1994, sections 214.101, subdivisions 2 and 3; 518.561; 518.611, subdivision 8; and 518.64, subdivision 6.

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

Page 11, line 15, delete "The"

Page 11, delete lines 16 to 19

Page 13, line 29, delete "participant" and insert "child support obligor participating"

Page 13, line 32, delete "of \$1,000 or less"

Page 13, line 34, delete "if" and insert "whether" and delete "claim is valid and"

Page 13, line 35, delete "if" and insert "claimed injury occurred, whether the claimed medical expenses are reasonable, and whether" and after the period, insert "If insurance coverage is established, the county agency shall submit the claim to the appropriate insurance entity for payment."

Page 13, line 36, after "claims" insert ", in the amount net of any insurance payments,"

Page 14, line 1, after the period, insert:

"(c) The commissioner of human services shall submit all claims for impairment compensation to the commissioner of labor and industry. The commissioner of labor and industry shall review all submitted claims and recommend to the commissioner of human services an amount of compensation comparable to what would be provided under the impairment compensation schedule of section 176.101, subdivision 3b.

(d) The commissioner of human services shall approve a claim of \$1,000 or less for payment if appropriated funds are available, if the county agency responsible for supervising the work has made the determinations required by this section, and if the work program was operated in compliance with the safety provisions of this section."

Page 14, line 2, after "claim" insert "of \$1,000 or less"

Page 14, line 6, after "claims" insert "of \$1,000 or less"

Page 14, line 7, delete "that are to" and insert "and shall"

Page 14, line 8, after "for" insert "any"

Page 14, line 13, delete "A claim" and insert "On or before February 1 of each year, the commissioner shall submit to the appropriate committees of the senate and the house of representatives a list of claims" and delete the second "claim" and insert "list of claims of \$1,000 or less" and delete "was" and insert "were submitted to but"

Page 14, line 14, delete "may" and insert "of human services, together with any recommendations of appropriate compensation. These claims shall" and delete "presented to," and delete the second comma

Page 14, delete lines 18 to 24

Page 14, line 25, delete "(d)" and insert "(e)"

Page 14, line 26, after the first "for" insert "reasonable" and delete "compensation for"

Page 14, line 27, delete "disability as" and delete "or death" and insert "for disability in like amounts as allowed in section 176.101, subdivision 3b. Compensation for injuries resulting in death shall include reasonable medical expenses and burial expenses in addition to payment to the participant's estate in the amount of \$200,000"

Page 14, line 28, delete "or" and insert a comma

Page 14, line 29, after "wages" insert ", or other benefits provided in chapter 176"

Page 14, line 35, delete "(e)" and insert "(f)"

Page 15, line 5, delete "(f)" and insert "(g)"

Page 15, line 7, after "verify" insert "to the commissioner of human services"

Page 29, line 14, after "25." insert "[WAIVERS.]

Subdivision 1."

Page 29, line 15, delete the paragraph coding and delete "shall" and insert "may"

Page 29, line 18, after "assurance" insert "when enhanced federal funds at the rate of 90 percent are available to support such a demonstration project"

Page 29, after line 21, insert:

"Subd. 2. [COOPERATION FOR THE CHILDREN.] The commissioner of human services shall seek a waiver from the secretary of the United States Department of Health and Human Services to enable the department of human services to operate the cooperation for the children demonstration project.

Subd. 3. [OBLIGOR COMMUNITY SERVICE WAIVER.] The commissioner of human services shall seek a waiver from the secretary of the United States Department of Health and Human Services to enable the department of human services to operate the child support obligor community service work experience program."

Pages 29 and 30, delete section 26

Page 61, after line 14, insert:

## "ARTICLE 6 APPROPRIATIONS

Section 1. [APPROPRIATIONS.]

Subdivision 1. [CHILD SUPPORT OBLIGOR COMMUNITY SERVICE WORK EXPERIENCE PROGRAM.] \$119,000 is appropriated from the general fund to the commissioner of human services to fund the child support obligor community service work experience program in article 1, section 14, to be available until June 30, 1997.

Subd. 2. [MOTOR VEHICLE CERTIFICATES OF TITLE AND LICENSE SUSPENSION.] \$50,000 is appropriated from the general fund to the commissioner of public safety to fund the necessary changes to the existing computer system to allow for memorialization of liens on motor vehicle certificates of title and to allow for suspension of drivers' licenses, to be available until June 30, 1997.

Subd. 3. [SUSPENSION OF DRIVERS' LICENSES.] \$24,000 is appropriated from the general fund to the commissioner of human services to allow the commissioner to seek the suspension of drivers' licenses under Minnesota Statutes, section 518.551, subdivision 13, to be available until June 30, 1997.

Subd. 4. [EMPLOYMENT REGISTRY.] \$350,000 is appropriated from the general fund to the commissioner of human services to allow the commissioner to implement the employment registry under article 1, section 15, to be available until June 30, 1997.

Subd. 5. [PUBLIC EDUCATION.] \$150,000 is appropriated from the general fund to the commissioner of human services for transfer to the attorney general for continuance of the child support public education campaign, to be available until June 30, 1997.

Subd. 6. [COOPERATION FOR THE CHILDREN PROGRAM.] \$100,000 is appropriated from the general fund to the commissioner of human services for purposes of developing and

implementing the cooperation for the children program under article 1, section 13, and for the purpose of providing the requested funding to the office of administrative hearings to develop and implement the cooperation for the children program under article 1, section 13, to be available until June 30, 1997.

Subd. 7. [MOTOR VEHICLE LIENS.] \$24,000 is appropriated from the general fund to the commissioner of human services to allow the commissioner to memorialize liens on motor vehicle certificates of title under Minnesota Statutes, section 518.551, subdivision 14, to be available until June 30, 1997.

Subd. 8. [OCCUPATIONAL LICENSE SUSPENSION.] \$10,000 is appropriated from the general fund to the commissioner of human services to implement the occupational license suspension procedures under Minnesota Statutes, section 518.551, subdivision 12, to be available until June 30, 1997.

Subd. 9. [CHILD SUPPORT PAYMENT CENTER.] \$668,000 is appropriated from the general fund to the commissioner of human services to create and maintain the child support payment center under Minnesota Statutes, section 518.5851, to be available until June 30, 1997.

Subd. 10. [PUBLICATION OF NAMES.] \$275,000 is appropriated from the general fund to the commissioner of human services to publish the names of delinquent child support obligors under Minnesota Statutes, section 518.575, to be available until June 30, 1997.

Subd. 11. [ADMINISTRATIVE PROCESS.] \$1,250,000 is appropriated from the general fund to the commissioner of human services to develop and implement the contested administrative process under Minnesota Statutes, section 518.5511, to be available until June 30, 1997.

Subd. 12. [WAIVERS.] \$138,000 is appropriated from the general fund to the commissioner of human services to seek the waivers required by this legislation, to be available until June 30, 1997.

Subd. 13. [CHILDREN'S VISITATION CENTERS.] \$96,000 in fiscal year 1996 and \$96,000 in fiscal year 1997 are appropriated from the state government special revenue fund to the commissioner of human services for supervised visitation facilities under Minnesota Statutes, section 256F.09.

## ARTICLE 7

### CHILDREN'S SUPERVISED VISITATION FACILITIES

Section 1. Minnesota Statutes 1994, section 256F.09, subdivision 1, is amended to read:

Subdivision 1. [PURPOSE.] The commissioner shall issue a request for proposals from existing local nonprofit, nongovernmental, or governmental organizations, to use existing local facilities as ~~pilot children's safety centers~~ supervised visitation facilities, which may also be used for visitation exchanges. The commissioner shall award grants in amounts up to \$50,000 for the purpose of creating or maintaining children's ~~safety centers~~ supervised visitation facilities in an effort to reduce children's vulnerability to violence and trauma related to family visitation, where there has been a history of domestic violence or abuse within the family. ~~At least one of the pilot projects shall be located in the seven-county metropolitan area and at least one of the projects shall be located outside the seven-county metropolitan area, and~~ The commissioner shall award the grants to provide the greatest possible number of ~~safety centers~~ children's supervised visitation facilities and to locate them to provide for the broadest possible geographic distribution of the ~~centers~~ facilities throughout the state.

Each children's ~~safety center~~ supervised visitation facility must use existing local facilities to provide a healthy interactive environment for parents who are separated or divorced and for parents with children in foster homes to visit with their children. The ~~centers~~ facilities must be available for use by district courts who may order visitation to occur at a ~~safety center~~ supervised visitation facility.

The ~~centers~~ facilities may also be used as drop-off sites, so that parents who are under court order to have no contact with each other can exchange children for visitation at a neutral site. Each ~~center~~ facility must provide sufficient security to ensure a safe visitation environment for children

and their parents. A grantee must demonstrate the ability to provide a 25 percent local match, which may include in-kind contributions.

Sec. 2. Minnesota Statutes 1994, section 256F.09, is amended by adding a subdivision to read:

Subd. 1a. [COUNTY INVOLVEMENT.] Each county or group of counties is encouraged to provide supervised visitation services in an effort to fill the gap in the court system that orders supervised visitation, but does not provide a facility to accomplish the supervised visitation as ordered. Each county or group of counties is encouraged to either financially contribute to an existing supervised visitation center in the area, or establish a new facility if there is not one in the area, possibly through county social services. In creating a new facility, the county may collaborate with other counties, other supervised visitation facilities, family services collaboratives, court services, and any other entity or organization. The goal is to provide supervised visitation facilities statewide. The county shall apply for funding that may be available through the federal government, specifically for family preservation or family reunification purposes, or any other source of funding that will aid in developing and maintaining this vital service.

Sec. 3. Minnesota Statutes 1994, section 256F.09, subdivision 2, is amended to read:

Subd. 2. [PRIORITIES FUNDING.] The commissioner may award grants to create or maintain children's supervised visitation facilities.

In awarding grants to maintain a children's supervised visitation facility, the commissioner may award a grant to a facility that can demonstrate a 35 percent local match, provided the facility is diligently exploring and pursuing all available funding options in an effort to become self-sustaining, and those efforts are reported to the commissioner.

In awarding grants under the program to create a children's supervised visitation facility, the commissioner shall give priority to:

(1) areas of the state where no other children's safety-center supervised visitation facility or similar facility exists;

(2) applicants who demonstrate that private funding for the center facility is available and will continue; and

(3) facilities that are adapted for use to care for children, such as day care centers, religious institutions, community centers, schools, technical colleges, parenting resource centers, and child care referral services.

Sec. 4. Minnesota Statutes 1994, section 256F.09, subdivision 3, is amended to read:

Subd. 3. [ADDITIONAL SERVICES.] Each center supervised visitation facility may provide parenting and child development classes, and offer support groups to participating custodial parents and hold regular classes designed to assist children who have experienced domestic violence and abuse.

Sec. 5. Minnesota Statutes 1994, section 256F.09, is amended by adding a subdivision to read:

Subd. 5. [ADMINISTRATION.] In administering the grants authorized by this section, the commissioner shall ensure that the term "children's supervised visitation facility" is used in all future applications, publicity releases, requests for proposals, and other materials of like nature. Materials published prior to the enactment of this legislation which use different terms may be distributed by the commissioner until supplies are gone.

Sec. 6. Minnesota Statutes 1994, section 517.08, subdivision 1b, is amended to read:

Subd. 1b. [TERM OF LICENSE; FEE.] The court administrator shall examine upon oath the party applying for a license relative to the legality of the contemplated marriage. If at the expiration of a five-day period, on being satisfied that there is no legal impediment to it, the court administrator shall issue the license, containing the full names of the parties before and after marriage, and county and state of residence, with the district court seal attached, and make a



record of the date of issuance. The license shall be valid for a period of six months. In case of emergency or extraordinary circumstances, a judge of the county court or a judge of the district court of the county in which the application is made, may authorize the license to be issued at any time before the expiration of the five days. The court administrator shall collect from the applicant a fee of \$65 \$68 for administering the oath, issuing, recording, and filing all papers required, and preparing and transmitting to the state registrar of vital statistics the reports of marriage required by this section. If the license should not be used within the period of six months due to illness or other extenuating circumstances, it may be surrendered to the court administrator for cancellation, and in that case a new license shall issue upon request of the parties of the original license without fee. A court administrator who knowingly issues or signs a marriage license in any manner other than as provided in this section shall pay to the parties aggrieved an amount not to exceed \$1,000.

Sec. 7. Minnesota Statutes 1994, section 517.08, subdivision 1c, is amended to read:

Subd. 1c. [DISPOSITION OF LICENSE FEE.] Of the marriage license fee collected pursuant to subdivision 1b, the court administrator shall pay \$50 \$53 to the state treasurer to be deposited in ~~the general fund~~ as follows: \$50 in the general fund, and \$3 in the special revenue fund to be appropriated to the commissioner of human services for supervised visitation facilities under section 256F.09.

Sec. 8. [REPEALER.]

Minnesota Statutes 1994, section 256F.09, subdivision 4, is repealed.

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 10, after the semicolon, insert "modifying children's supervised visitation facilities;"

Page 1, line 16, after "1;" insert "256F.09, subdivisions 1, 2, 3, and by adding subdivisions;"

Page 1, line 20, after the first semicolon, insert "517.08, subdivisions 1b and 1c;"

Page 1, line 29, after "3;" insert "256F.09, subdivision 4;"

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

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

**S.F. No. 1020:** A bill for an act relating to workers' compensation; providing for comprehensive reform of the workers' compensation system; providing a group insurance mechanism; regulating benefits; providing safety incentives and assistance; strengthening antifraud tools; regulating independent contractors; regulating the reinsurance association; appropriating money; amending Minnesota Statutes 1994, sections 13.69, subdivision 1; 79.085; 79.211, subdivision 1; 79.34, subdivision 2; 79.35; 79A.01, by adding subdivisions; 79A.02, subdivisions 1 and 4; 79A.03, subdivisions 2, 6, 7, 8, 9, and 11; 79A.08; 175.16; 176.011, subdivision 18; 176.021, subdivisions 3 and 3a; 176.041, subdivision 1; 176.061, subdivision 10; 176.101, subdivisions 1, 2, 6, and by adding a subdivision; 176.105, subdivisions 2 and 4; 176.106, subdivision 7; 176.132, subdivision 2; 176.135, subdivision 2; 176.179; 176.181, subdivision 8; 176.185, subdivision 1; 176.191, subdivisions 5, 7, and by adding a subdivision; 176.221, subdivisions 1 and 6a; 176.232; 176.238, subdivision 6; 268.08, subdivision 3; 299C.46, subdivision 2; 626.05, subdivision 2; 626.11; 626.13; and 626.84, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 79; and 176; proposing coding for new law as Minnesota Statutes, chapter 79B; repealing Minnesota Statutes 1994, sections 79.01, subdivision 8; 79.50; 79.51; 79.52; 79.53; 79.54; 79.55; 79.56; 79.57; 79.58; 79.59; 79.60; 79.61; 79.62; 176.011, subdivisions 25 and 26; 176.101, subdivisions 3a, 3b, 3c, 3d, 3e, 3f, 3g, 3h, 3i, 3j, 3k, 3l, 3m, 3n, 3o, 3p, 3q, 3r, 3s, 3t, and 3u; Laws 1990, chapter 521, section 4.

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

Page 8, line 31, delete "level" and insert "limit"

Page 38, delete sections 7 and 8

Pages 96 and 97, delete section 18

Page 97, after line 8, insert:

**"ARTICLE 13  
APPROPRIATIONS**

**Section 1. [DEPARTMENT OF COMMERCE.]**

Subdivision 1. [SPECIAL COMPENSATION FUND.] \$926,000 for fiscal year 1996 and \$961,000 for fiscal year 1997 are appropriated from the special compensation fund to the department of commerce for the purposes of this act.

Subd. 2. [ASSIGNED RISK SAFETY ACCOUNT.] \$300,000 is appropriated from the assigned risk safety account in the special compensation fund to the commissioner of commerce for the biennium ending June 30, 1997, for the purpose of article 3, section 5.

**Sec. 2. [DEPARTMENT OF LABOR AND INDUSTRY.]**

\$151,000 in fiscal year 1996 and \$136,000 in fiscal year 1997 are appropriated from the special compensation fund to the department of labor and industry for the purposes of this act.

**Sec. 3. [OFFICE OF ATTORNEY GENERAL.]**

\$105,000 in fiscal year 1996 and \$105,000 in fiscal year 1997 are appropriated from the special compensation fund to the office of attorney general for the purposes of this act.

**Sec. 4. [UNIVERSITY OF MINNESOTA.]**

\$200,000 is appropriated for the biennium ending June 30, 1997, from the assigned risk safety account in the special compensation fund to the board of regents of the University of Minnesota for the purpose of article 3, section 6."

Renumber the sections in sequence

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

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

**S.F. No. 512:** A bill for an act relating to human services; licensing; administrative hearings; vulnerable adults reporting act; imposing criminal penalties; appropriating money; amending Minnesota Statutes 1994, sections 13.46, subdivision 4; 13.82, subdivision 10, and by adding subdivisions; 13.88; 13.99, subdivision 113; 144.4172, subdivision 8; 144.651, subdivisions 14 and 21; 144A.103, subdivision 1; 144A.612; 144B.13; 148B.68, subdivision 1; 214.10, subdivision 2a; 245A.04, subdivisions 3 and 3b; 253B.02, subdivision 4a; 256.045, subdivisions 1, 3, 4, 5, 6, 7, 8, 9, and by adding a subdivision; 256E.03, subdivision 2; 256E.081, subdivision 4; 268.09, subdivision 1; 325F.692, subdivision 2; 525.703, subdivision 3; 609.224, subdivision 2; 609.268, subdivisions 1 and 2; 609.72, by adding a subdivision; 609.7495, subdivision 1; 626.556, subdivision 12; and 626.557, subdivisions 1, 3, 3a, 4, 5, 6, 7, 8, 9, 10, 14, 16, 17, 18, and by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapters 144; 609; and 626; repealing Minnesota Statutes 1994, sections 609.23; 609.231; and 626.557, subdivisions 2, 10a, 11, 11a, 12, 13, 15, and 19.

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

Page 45, line 17, after the period, insert "The commissioner is not required to conduct a study of an individual at the time of reapplication for a license, other than a family day care or foster care license, if (i) a study of the individual was conducted either at the time of initial licensure or when the individual became affiliated with the license holder; (ii) the individual has been

continuously affiliated with the license holder since the last study was conducted; and (iii) the procedure described in paragraph (b) has been implemented and was in effect continuously since the last study was conducted."

Page 45, after line 19, insert:

"(b) If an individual who is affiliated with a department of human services or department of health program is convicted of a crime constituting a disqualification under Minnesota Rules, parts 9543.3000 to 9543.3090, the probation officer or corrections agent shall notify the commissioner of the conviction. The commissioner, in consultation with the commissioner of corrections, shall develop forms and information necessary to implement this paragraph and shall provide the forms and information to the commissioner of corrections for distribution to local probation officers and corrections agents. The commissioner shall inform individuals subject to a background study that criminal convictions for disqualifying crimes will be reported to the commissioner by the corrections system. A probation officer, corrections agent, or corrections agency is not civilly or criminally liable for disclosing or failing to disclose the information required by this paragraph. This paragraph does not apply to family day care and foster care programs."

Page 45, line 20, strike "(b)" and insert "(c)"

Page 45, line 32, strike "(c)" and insert "(d)"

Page 46, line 17, strike "(d)" and insert "(e)"

Page 46, line 26, strike "(e)" and insert "(f)"

Page 46, line 29, strike "(f)" and insert "(g)"

Page 46, line 33, strike "(g)" and insert "(h)"

Page 47, line 1, strike "(h)" and insert "(i)"

Page 47, line 3, strike "(i)" and insert "(j)"

Page 47, line 7, strike "(j)" and insert "(k)"

Page 47, line 15, delete "(k)" and insert "(l)"

Page 47, line 22, delete "(l)" and insert "(m)"

Page 58, after line 16, insert:

"Sec. 16. Minnesota Statutes 1994, section 631.40, is amended by adding a subdivision to read:

Subd. 3. [DEPARTMENT OF HUMAN SERVICES AND HEALTH LICENSEES.] When a person who is affiliated with a department of human services or department of health program is convicted of a disqualifying crime, the probation officer or corrections agent shall notify the commissioner of human services of the conviction, as provided in section 245A.04, subdivision 3, paragraph (b).

Sec. 17. [REPORT.]

By January 15, 1997, the commissioner of human services shall report to the legislature on the implementation of the process for reporting convictions under Minnesota Statutes, section 245A.04, subdivision 3, paragraph (b). The report must include an analysis of any reduction in the cost of performing background studies resulting from implementing the process and any recommendations for modification of the fee increases in article 4, section 22, based on a reduction in costs."

Page 77, line 14, before the semicolon, insert "above the level set by S.F. No. 1110"

Page 77, delete section 1 and insert:

"Section 1. [APPROPRIATION.]

Subdivision 1. The sums set forth in this section are appropriated from the state government special revenue fund to the agencies named in this section to implement articles 1 and 3 and is available for the fiscal year ending June 30 in the years indicated.

	<u>1996</u>	<u>1997</u>
<u>Subd. 2. COMMISSIONER OF HEALTH</u>	<u>\$1,043,000</u>	<u>\$1,088,000</u>
<u>Subd. 3. COMMISSIONER OF HUMAN SERVICES</u>	<u>445,000</u>	<u>445,000</u>
<u>Subd. 4. ATTORNEY GENERAL</u>	<u>20,000</u>	<u>20,000</u>
<u>Subd. 5. COMMISSIONER OF PUBLIC SAFETY</u>	<u>14,000</u>	<u>7,000 "</u>

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 18, delete "and"

Page 1, line 20, after the semicolon, insert "and 631.40, by adding a subdivision;"

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

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

**S.F. No. 871:** A bill for an act relating to state government; administrative rulemaking; revising the procedures for the adoption and review of agency rules; appropriating money; amending Minnesota Statutes 1994, sections 3.842, subdivisions 2, 4, and by adding a subdivision; 14.04; 14.05, subdivision 2, and by adding a subdivision; 14.06; 14.08; 14.09; 14.131; 14.14, subdivision 1a; 14.15, subdivisions 3 and 4; 14.16, subdivision 1; 14.19; 14.22, subdivision 1; 14.23; 14.24; 14.25; 14.26; 14.365; 14.48; 14.51; 16A.1285, subdivision 2; 17.84; 43A.04, by adding a subdivision; 62N.05, by adding a subdivision; and 84.027, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 14; and 97A; repealing Minnesota Statutes 1994, sections 3.846; 14.10; 14.11; 14.115; 14.12; 14.1311; 14.235; 14.29; 14.30; 14.305; 14.31; 14.32; 14.33; 14.34; 14.35; 14.36; and 17.83.

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

Page 4, after line 1, insert:

"Sec. 4. Minnesota Statutes 1994, section 4A.05, subdivision 2, is amended to read:

Subd. 2. [FEES.] The director shall set fees under section ~~16A.128, subdivision 2,~~ 16A.1285 reflecting the actual costs of providing the center's information products and services to clients. Fees collected must be deposited in the state treasury and credited to the land management information center revolving account. Money in the account is appropriated to the director for operation of the land management information system, including the cost of services, supplies, materials, labor, and equipment, as well as the portion of the general support costs and statewide indirect costs of the office that is attributable to the land management information system. The director may require a state agency to make an advance payment to the revolving fund sufficient to cover the agency's estimated obligation for a period of 60 days or more. If the revolving fund is abolished or liquidated, the total net profit from operations must be distributed to the funds from which purchases were made. The amount to be distributed to each fund must bear to the net profit the same ratio as the total purchases from each fund bear to the total purchases from all the funds during a period of time that fairly reflects the amount of net profit each fund is entitled to receive under this distribution."

Page 5, line 36, after the period, insert "This paragraph does not apply to the public utilities commission."

Page 22, line 14, delete "or"

Page 22, line 16, before the period, insert ";

(16) game and fish rules of the commissioner of natural resources adopted under section 84.027, subdivision 13, or sections 97A.0451 to 97A.0459; or

(17) experimental and special management waters designated by the commissioner of natural resources under sections 97C.001 and 97C.005"

Page 23, line 18, delete "or"

Page 23, line 20, before the period, insert ";

(16) game and fish rules of the commissioner of natural resources adopted under section 84.027, subdivision 13, or sections 97A.0451 to 97A.0459; or

(17) experimental and special management waters designated by the commissioner of natural resources under sections 97C.001 and 97C.005"

Page 26, delete section 30 and insert:

"Sec. 31. Minnesota Statutes 1994, section 16A.1285, subdivision 2, is amended to read:

Subd. 2. [POLICY.] Unless otherwise provided by law, specific charges falling within definitions stipulated in subdivision 1 must be set ~~in the manner prescribed in this subdivision provided that: (1) agencies, when setting, adjusting, or authorizing any charge for goods or services that are of direct, immediate, and primary benefit to an individual, business, or other nonstate entity, shall set the charges at a level that neither significantly over recovers nor under recovers costs, including overhead costs, involved in providing the services; or (2) that agencies, when setting, adjusting, or establishing regulatory, licensure, or other charges that are levied, in whole or in part, in the public interest shall recover, but are not limited to, the costs involved in performance and administration of the functions involved.~~

In setting, adjusting, or authorizing charges that in whole or in part recover previously unrecovered costs, recovery is limited to those unrecovered costs incurred during the two fiscal years immediately preceding the setting, adjustment, or authorization.

Sec. 32. Minnesota Statutes 1994, section 16A.1285, subdivision 4, is amended to read:

Subd. 4. [RULEMAKING.] (a) Unless otherwise exempted or unless specifically set by law, all charges for goods and services, licenses, and regulation must be established or adjusted as provided in chapter 14; except that agencies may establish or adjust individual the following kinds of charges when:

(1) charges for goods and services ~~are~~ provided for the direct and primary use of a private individual, business, or other similar entity;

(2) ~~charges are~~ nonrecurring charges;

(3) charges that would produce insignificant revenues;

(4) charges ~~are~~ billed within or between state agencies; ~~or~~

(5) charges ~~are~~ for admissions to or for use of public facilities operated by the state, if the charges are set according to prevailing market conditions to recover operating costs:

~~(b) In addition to the exceptions in paragraph (a), agencies may adjust charges, with the approval of the commissioner of finance, if the; or~~

(6) proposed adjustments to charges that are within consumer price level (CPI) ranges stipulated by the commissioner of finance, if the adjustments and do not change the type or purpose of the item being adjusted.

~~(c) Any~~ (b) Departmental earnings changes or adjustments authorized by the commissioner of

finance or listed in paragraph (a), clause (1), (5), or (6), must be reported by the commissioner of finance to the chairs of the senate committee on finance and the house ways and means committee before ~~August 1~~ November 30 of each year.

Sec. 33. Minnesota Statutes 1994, section 16A.1285, subdivision 5, is amended to read:

Subd. 5. [PROCEDURE.] The commissioner of finance shall review and comment on all departmental charges submitted for approval under chapter 14. The commissioner's comments and recommendations must be included in the statement of need and reasonableness and must address any fiscal and policy concerns raised during the review process."

Page 27, after line 11, insert:

"Sec. 35. Minnesota Statutes 1994, section 18E.03, subdivision 3, is amended to read:

Subd. 3. [DETERMINATION OF RESPONSE AND REIMBURSEMENT FEE.] (a) The commissioner shall determine the amount of the response and reimbursement fee under subdivision 4 after a public hearing, ~~but notwithstanding section 16A.128~~, based on:

- (1) the amount needed to maintain an unencumbered balance in the account of \$1,000,000;
  - (2) the amount estimated to be needed for responses to incidents as provided in subdivision 2, clauses (1) and (2); and
  - (3) the amount needed for payment and reimbursement under section 18E.04.
- (b) The commissioner shall determine the response and reimbursement fee so that the total balance in the account does not exceed \$5,000,000.

(c) Money from the response and reimbursement fee shall be deposited in the treasury and credited to the agricultural chemical response and reimbursement account."

Page 29, line 32, delete "97A.0451 to 97A.0459" and insert "14.14 to 14.28"

Page 32, after line 36, insert:

"Sec. 48. Minnesota Statutes 1994, section 116.07, subdivision 4d, is amended to read:

Subd. 4d. [PERMIT FEES.] (a) The agency may collect permit fees in amounts not greater than those necessary to cover the reasonable costs of reviewing and acting upon applications for agency permits and implementing and enforcing the conditions of the permits pursuant to agency rules. Permit fees shall not include the costs of litigation. The agency shall adopt rules under section 16A.128 establishing the amounts and methods of collection of any permit fees collected under this subdivision. The fee schedule must reflect reasonable and routine permitting, implementation, and enforcement costs. The agency may impose an additional enforcement fee to be collected for a period of up to two years to cover the reasonable costs of implementing and enforcing the conditions of a permit under the rules of the agency. Any money collected under this paragraph shall be deposited in the special revenue account.

(b) Notwithstanding paragraph (a), ~~and section 16A.128, subdivision 1~~, the agency shall collect an annual fee from the owner or operator of all stationary sources, emission facilities, emissions units, air contaminant treatment facilities, treatment facilities, potential air contaminant storage facilities, or storage facilities subject to the requirement to obtain a permit under Title V of the federal Clean Air Act Amendments of 1990, Public Law Number 101-549, Statutes at Large, volume 104, pages 2399 et seq., or section 116.081. The annual fee shall be used to pay for all direct and indirect reasonable costs, including attorney general costs, required to develop and administer the permit program requirements of Title V of the federal Clean Air Act Amendments of 1990, Public Law Number 101-549, Statutes at Large, volume 104, pages 2399 et seq., and sections of this chapter and the rules adopted under this chapter related to air contamination and noise. Those costs include the reasonable costs of reviewing and acting upon an application for a permit; implementing and enforcing statutes, rules, and the terms and conditions of a permit; emissions, ambient, and deposition monitoring; preparing generally applicable regulations; responding to federal guidance; modeling, analyses, and demonstrations; preparing inventories

and tracking emissions; providing information to the public about these activities; and, after June 30, 1992, the costs of acid deposition monitoring currently assessed under section 116C.69, subdivision 3.

(c) The agency shall adopt fee rules in accordance with the procedures in section ~~16A.128, subdivisions 1a and 2a,~~ 16A.1285 that will result in the collection, in the aggregate, from the sources listed in paragraph (b), of the following amounts:

(1) in fiscal years 1992 and 1993, the amount appropriated by the legislature from the air quality account in the environmental fund for the agency's air quality program;

(2) for fiscal year 1994 and thereafter, an amount not less than \$25 per ton of each volatile organic compound; pollutant regulated under United States Code, title 42, section 7411 or 7412 (section 111 or 112 of the federal Clean Air Act); and each pollutant, except carbon monoxide, for which a national primary ambient air quality standard has been promulgated; and

(3) for fiscal year 1994 and thereafter, the agency fee rules may also result in the collection, in the aggregate, from the sources listed in paragraph (b), of an amount not less than \$25 per ton of each pollutant not listed in clause (2) that is regulated under Minnesota Rules, chapter 7005, or for which a state primary ambient air quality standard has been adopted.

The agency must not include in the calculation of the aggregate amount to be collected under the fee rules any amount in excess of 4,000 tons per year of each air pollutant from a source.

(d) To cover the reasonable costs described in paragraph (b), the agency shall provide in the rules promulgated under paragraph (c) for an increase in the fee collected in each year beginning after fiscal year 1993 by the percentage, if any, by which the Consumer Price Index for the most recent calendar year ending before the beginning of the year the fee is collected exceeds the Consumer Price Index for the calendar year 1989. For purposes of this paragraph the Consumer Price Index for any calendar year is the average of the Consumer Price Index for all-urban consumers published by the United States Department of Labor, as of the close of the 12-month period ending on August 31 of each calendar year. The revision of the Consumer Price Index that is most consistent with the Consumer Price Index for calendar year 1989 shall be used.

(e) Any money collected under paragraphs (b) to (d) must be deposited in an air quality account in the environmental fund and must be used solely for the activities listed in paragraph (b).

(f) Persons who wish to construct or expand an air emission facility may offer to reimburse the agency for the costs of staff overtime or consultant services needed to expedite permit review. The reimbursement shall be in addition to fees imposed by paragraphs (a) to (d). When the agency determines that it needs additional resources to review the permit application in an expedited manner, and that expediting the review would not disrupt air permitting program priorities, the agency may accept the reimbursement. Reimbursements accepted by the agency are appropriated to the agency for the purpose of reviewing the permit application. Reimbursement by a permit applicant shall precede and not be contingent upon issuance of a permit and shall not affect the agency's decision on whether to issue or deny a permit, what conditions are included in a permit, or the application of state and federal statutes and rules governing permit determinations.

Sec. 49. Minnesota Statutes 1994, section 144.98, subdivision 3, is amended to read:

Subd. 3. [FEES.] (a) An application for certification under subdivision 1 must be accompanied by the annual fee specified in this subdivision. The fees are for:

(1) base certification fee, \$250; and

(2) test category certification fees:

Test Category	Certification Fee
Bacteriology	\$100
Inorganic chemistry, fewer than four constituents	\$ 50
Inorganic chemistry, four or more constituents	\$150
Chemistry metals, fewer than four constituents	\$100
Chemistry metals, four or more constituents	\$250

Volatile organic compounds  
Other organic compounds

\$300  
\$300

(b) The total annual certification fee is the base fee plus the applicable test category fees. The annual certification fee for a contract laboratory is 1.5 times the total certification fee.

(c) Laboratories located outside of this state that require an on-site survey will be assessed an additional \$1,200 fee.

(d) The commissioner of health may adjust fees under section ~~16A.128, subdivision 2~~ 16A.1285 without rulemaking. Fees must be set so that the total fees support the laboratory certification program. Direct costs of the certification service include program administration, inspections, the agency's general support costs, and attorney general costs attributable to the fee function.

Sec. 50. Minnesota Statutes 1994, section 221.0335, is amended to read:

**221.0335 [HAZARDOUS MATERIALS TRANSPORTATION REGISTRATION; FEES.]**

A person required to file a registration statement under section 106(c) of the federal Hazardous Materials Transportation Safety Act of 1990 may not transport a hazardous material unless the person files an annual hazardous materials registration statement with the commissioner and pays a fee. The commissioner shall adopt rules to implement this section, including administration of the registration program and establishing registration fees. A fee may not exceed a person's annual registration fee under the federal act. Fees must be set in accordance with section ~~16A.128, subdivision 1a, 16A.1285~~ to cover the costs of administering and enforcing this section and the costs of hazardous materials incident response capability under sections 299A.48 to 299A.52 and 299K.095. All fees collected under this section must be deposited in the general fund.

Sec. 51. Minnesota Statutes 1994, section 326.2421, subdivision 3, is amended to read:

Subd. 3. **[ALARM AND COMMUNICATION CONTRACTOR'S LICENSES.]** No person may lay out, install, maintain, or repair alarm and communication systems, unless the person is licensed as an alarm and communication contractor under this subdivision, or is a licensed electrical contractor under section 326.242, subdivision 6, or is an employee of the contractor. The board of electricity shall issue an alarm and communication contractor's license to any individual, corporation, partnership, sole proprietorship, or other business entity that provides adequate proof that a bond and insurance in the amounts required by section 326.242, subdivision 6, have been obtained by the applicant. The board ~~may initially~~ shall set license fees ~~without rulemaking, pursuant to section 16A.128 16A.1285~~. Installation of alarm and communication systems are subject to inspection and inspection fees as provided in section 326.244, subdivision 1a.

Sec. 52. Minnesota Statutes 1994, section 341.10, is amended to read:

**341.10 [LICENSE FEES.]**

The board shall have authority to collect and require the payment of a license fee in an amount set by the board from the owners of franchises or licenses. ~~Notwithstanding section 16A.128, subdivision 1a,~~ The fee is not subject to approval by the commissioner of finance and need not recover all costs. The board shall require the payment of the fee at the time of the issuance of the license or franchise to the owner. The moneys so derived shall be collected by the board and paid to the state treasurer. The board shall have authority to license all boxers, managers, seconds, referees and judges and may require them to pay a license fee. All moneys collected by the board from such licenses shall be paid to the state treasurer."

Page 33, line 4, delete "45" and insert "54"

Page 33, line 5, before the period, insert "and must be reimbursed to the general fund by June 30, 1997" and delete everything after the period

Page 33, delete lines 6 and 7

Page 33, delete lines 11 to 13



Page 34, line 12, delete "4; 6; 7; 10; 15; 26; 31; 47" and insert "3; 5; 7; 8; 11; 16; 27; 34; 56"

Page 34, line 13, delete "25 and 29" and insert "26 and 30"

Page 34, line 14, delete "11" and insert "12"

Page 34, line 16 delete "30" and insert "31"

Page 34, line 17, delete "Section 44 is" and insert "Sections 4, 31 to 33, 35, and 48 to 53 are"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the first semicolon, insert "requiring fees to cover costs;"

Page 1, line 6, after the first semicolon, insert "4A.05, subdivision 2;"

Page 1, line 11, delete "subdivision 2" and insert "subdivisions 2, 4, and 5"

Page 1, line 12, after the first semicolon, insert "18E.03, subdivision 3;"

Page 1, line 13, delete "and"

Page 1, line 14, after the semicolon, insert "116.07, subdivision 4d; 144.98, subdivision 3; 221.0335; 326.2421, subdivision 3; and 341.10;"

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

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

**S.F. No. 1406:** A bill for an act relating to employment; establishing and modifying certain salary limits; appropriating money; amending Minnesota Statutes 1994, sections 3.855, subdivision 3; 15A.081, subdivision 8; 15A.083, subdivisions 5, 6a, and 7; 43A.17, subdivisions 1, 3, and by adding a subdivision; 85A.02, subdivision 5a; and 298.22, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 15A; repealing Minnesota Statutes 1994, sections 15A.081, subdivisions 1, 7, and 7b; and 43A.18, subdivision 5.

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 3.855, subdivision 3, is amended to read:

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

(a) review and approve, reject, or modify recommendations of the commissioner of employee relations for increasing salary rates under section 43A.17, subdivision 3a;

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

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

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

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

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

Sec. 2. Minnesota Statutes 1994, section 15A.081, subdivision 8, is amended to read:

Subd. 8. [EXPENSE ALLOWANCE.] Notwithstanding any law to the contrary, positions listed in ~~subdivision 1~~ section 15A.0815, subdivisions 3 and 4, and constitutional officers, ~~and the commissioner of iron range resources and rehabilitation~~ are authorized an annual expense allowance not to exceed \$1,500 for necessary expenses in the normal performance of their duties for which no other reimbursement is provided. The expenditures under this subdivision are subject to any laws and rules relating to budgeting, allotment and encumbrance, preaudit and postaudit. The commissioner of finance may ~~promulgate~~ adopt rules to assure the proper expenditure of these funds, and to provide for reimbursement.

Sec. 3. [15A.0815] [SALARY LIMITS FOR CERTAIN EMPLOYEES.]

Subdivision 1. [SALARY LIMITS.] For purposes of subdivisions 2 to 4, the governor's salary is as established under section 15A.082.

The appointing authority, as defined in section 43A.02, subdivision 5, shall establish salaries for the positions within the prescribed limits as specified in subdivisions 2 to 5. In establishing individual salaries, the appointing authority shall consider the criteria established in section 43A.18, subdivision 8, and the performance of individual incumbents. The performance evaluation must include a review of an incumbent's progress toward attainment of affirmative action goals. If the appointing authority is not the governor, the salary proposed by the appointing authority is not effective unless approved by the commissioner of employee relations.

The appointing authority shall set the initial salary of a head of a new agency or a chair of a new metropolitan board or commission whose salary is not specifically prescribed by law. If the appointing authority is not the governor, the salary proposed by the appointing authority is not effective unless approved by the commissioner of employee relations. The amount of the new salary must be comparable to the salary of an agency head or commission chair having similar duties and responsibilities.

Subd. 2. [HIGHER EDUCATION SYSTEM LIMITS.] The salary of the chancellor of Minnesota state colleges and universities may not exceed 95 percent of the salary of the governor. For purposes of this subdivision, "salary" does not include:

(1) employee benefits that are also provided for the majority of all other full-time state employees, vacation and sick leave allowances, health and dental insurance, disability insurance, term life insurance, and pension benefits or like benefits the cost of which is borne by the employee or which is not subject to tax as income under the Internal Revenue Code of 1986;

(2) dues paid to organizations that are of a civic, professional, educational, or governmental nature;

(3) reimbursement for actual expenses incurred by the employee that the appointing authority determines to be directly related to the performance of job responsibilities, including any relocation expenses paid during the initial year of employment; or

(4) a housing allowance that is comparable to housing allowances provided to chancellors and university presidents in similar higher education systems nationwide.

Subd. 3. [GROUP I SALARY LIMITS.] The salaries for positions in this subdivision may not exceed 85 percent of the salary of the governor:

Commissioner of administration;

Commissioner of agriculture;

Commissioner of commerce;

Commissioner of corrections;

Commissioner of economic security;  
Commissioner of education;  
Commissioner of employee relations;  
Commissioner of finance;  
Commissioner of health;  
Executive director, higher education coordinating board;  
Commissioner, housing finance agency;  
Commissioner of human rights;  
Commissioner of human services;  
Executive director, state board of investment;  
Commissioner of labor and industry;  
Commissioner of natural resources;  
Commissioner of office of strategic and long-range planning;  
Commissioner, pollution control agency;  
Commissioner of public safety;  
Commissioner, department of public service;  
Commissioner of revenue;  
Commissioner of trade and economic development;  
Commissioner of transportation;  
Commissioner of veterans affairs;  
Administrator of zoological gardens.

Subd. 4. [GROUP II SALARY LIMITS.] The salaries for positions in this subdivision may not exceed 75 percent of the salary of the governor:

Ombudsman for corrections;  
Director of office of environmental assistance;  
Executive director of gambling control board;  
Commissioner of iron range resources and rehabilitation board;  
Commissioner, bureau of mediation services;  
Ombudsman for mental health and retardation;  
Chair, metropolitan council;  
Executive director of pari-mutuel racing;  
Executive director, public employees retirement association;  
Commissioner, public utilities commission;  
Executive director, state retirement system;

Executive director, teacher's retirement association;

Member, transportation regulation board.

Subd. 5. [GROUP III SALARY LIMITS.] The salary for a position in this subdivision may not exceed 25 percent of the salary of the governor:

Chair, metropolitan airports commission.

Subd. 6. [METROPOLITAN COUNCIL MEMBER SALARIES.] The salary of a member of the metropolitan council is \$20,000 a year.

Sec. 4. Minnesota Statutes 1994, section 15A.083, subdivision 5, is amended to read:

Subd. 5. [TAX COURT.] ~~Salaries~~ The salary of judges a judge of the tax court are is the same as the base salary for a district judges court judge as set under section 15A.082, subdivision 3.

Sec. 5. Minnesota Statutes 1994, section 15A.083, subdivision 6a, is amended to read:

Subd. 6a. [ADMINISTRATIVE LAW JUDGE; ~~MAXIMUM SALARY~~ SALARIES.] ~~The maximum salary of an administrative law judge in the classified service employed by the office of administrative hearings is 90 percent of the salary of a district court judges judge as set under section 15A.082, subdivision 3. The salary of the chief administrative law judge is the same as the salary of a district court judge as set under section 15A.082. The salaries of the assistant chief administrative law judge and the administrative law judge supervisor are 95 percent of the salary of a district court judge as set under section 15A.082.~~

Sec. 6. Minnesota Statutes 1994, section 15A.083, subdivision 7, is amended to read:

Subd. 7. [WORKERS' COMPENSATION COURT OF APPEALS AND COMPENSATION JUDGES.] ~~Salaries~~ The salary of judges a judge of the workers' compensation court of appeals are is the same as the salary for a district judges court judge as set under section 15A.082, subdivision 3. Salaries ~~The salary of a compensation judges are 75 judge is 90 percent of the salary of a district court judges judge. The chief workers' compensation settlement judge at the department of labor and industry may be paid an annual salary that is up to five percent greater than the salary of a workers' compensation settlement judges judge at the department of labor and industry.~~

Sec. 7. Minnesota Statutes 1994, section 43A.17, subdivision 1, is amended to read:

Subdivision 1. [SALARY LIMITS.] As used in subdivisions 1 to 9, "salary" means hourly, monthly, or annual rate of pay including any lump-sum payments and cost-of-living adjustment increases but excluding payments due to overtime worked, shift or equipment differentials, work out of class as required by collective bargaining agreements or plans established under section 43A.18, and back pay on reallocation or other payments related to the hours or conditions under which work is performed rather than to the salary range or rate to which a class is assigned. For presidents of state universities, "salary" does not include a housing allowance provided through a compensation plan approved under section 43A.18, subdivision 3a.

The salary, as established in section 15A.081 15A.0815, of the head of a state agency in the executive branch is the upper limit of compensation on the salaries of individual employees in the agency. The salary of the commissioner of labor and industry is the upper limit of compensation salaries of employees in the bureau of mediation services. However, if an agency head is assigned a salary that is lower than the current salary of another agency employee, the employee retains the salary, but may not receive an increase in salary as long as the salary is above that of the agency head. The commissioner may grant exemptions from these upper limits as provided in subdivisions 3 3a and 4.

Sec. 8. Minnesota Statutes 1994, section 43A.17, subdivision 3, is amended to read:

Subd. 3. [UNUSUAL EMPLOYMENT SITUATIONS.] Upon the request of the appointing authority, and when the commissioner determines that changes in employment situations create difficulties in attracting or retaining employees, the commissioner may approve an unusual employment situation increase to advance an employee within the compensation plan. Such action

will be consistent with applicable provisions of collective bargaining agreements or plans pursuant to section 43A.18. The commissioner shall review each proposal giving due consideration to salary rates paid to other employees in the same class and agency and may approve any request which in the commissioner's judgment is in the best interest of the state. ~~If the commissioner determines that the position requires special expertise necessitating a higher salary to attract or retain qualified persons, the commissioner may grant an exemption not to exceed 120 percent of the base salary of the head of the agency.~~

Sec. 9. Minnesota Statutes 1994, section 43A.17, is amended by adding a subdivision to read:

Subd. 3a. [SALARY LIMIT WAIVERS.] The commissioner may increase the limitation for a position that the commissioner has determined requires special expertise necessitating a higher salary to attract or retain a qualified person. The commissioner shall review each proposed increase giving due consideration to salary rates paid to other persons with similar responsibilities in the state and nation. The commissioner may not increase the limitation until the increase has been approved by the legislative commission on employee relations under section 3.855, subdivisions 2 and 3.

Sec. 10. Minnesota Statutes 1994, section 43A.18, subdivision 4, is amended to read:

Subd. 4. [PLANS NOT ESTABLISHED BUT APPROVED BY COMMISSIONER.] (a) Notwithstanding any other law to the contrary, terms and conditions of employment for employees listed in this subdivision must be set by appointing authorities within the limits of compensation plans that have been approved by the commissioner before becoming effective. Compensation plans established under paragraphs (c) and (d), must be reviewed and approved, modified, or rejected by the legislature and the legislative commission on employee relations under section 3.855, subdivision 2, before becoming effective.

(b) Total compensation for employees who are not covered by a collective bargaining agreement in the offices of the governor, lieutenant governor, attorney general, secretary of state, state auditor, and state treasurer must be determined by the governor, lieutenant governor, attorney general, secretary of state, state auditor, and state treasurer, respectively.

~~(c) Total compensation for classified administrative law judges in the office of administrative hearings must be determined by the chief administrative law judge.~~

~~(d) Total compensation for unclassified positions not covered by a collective bargaining agreement in the higher education coordinating board must be determined by the higher education coordinating board.~~

Sec. 11. Minnesota Statutes 1994, section 85A.02, subdivision 5a, is amended to read:

Subd. 5a. [EMPLOYEES.] (a) The board shall appoint an administrator who shall serve as the executive secretary and principal administrative officer of the board and, subject to its approval, ~~the administrator shall operate the Minnesota zoological garden and enforce all rules and policy decisions of the board. The administrator must be chosen solely on the basis of training, experience, and other qualifications appropriate to the field of zoo management and development. The board shall set the compensation for the administrator within the limits established for the commissioner of agriculture in section 15A.081, subdivision 1.~~ The administrator shall perform duties assigned by the board and ~~shall serve~~ serves in the unclassified service at the pleasure of the board. The administrator, with the participation of the board, shall appoint a development director in the unclassified service or contract with a development consultant to establish mechanisms to foster community participation in and community support for the Minnesota zoological garden. The board may employ other necessary professional, technical, and clerical personnel. Employees of the zoological garden are eligible for salary supplement in the same manner as employees of other state agencies. The commissioner of finance shall determine the amount of salary supplement based on available funds.

(b) The board may contract with individuals to perform professional services and may contract for the purchases of necessary species exhibits, supplies, services, and equipment. The board may also contract for the construction and operation of entertainment facilities on the zoo grounds that are not directly connected to ordinary functions of the zoological garden. The zoo board ~~shall~~ may

not enter into ~~any~~ a final agreement for construction of ~~any~~ an entertainment facility that is not directly connected to the ordinary functions of the zoo until after final construction plans have been submitted to the chairs of the senate finance and house appropriations committees for their recommendations.

The zoo may not contract for entertainment during the period of the Minnesota state fair that would directly compete with entertainment at the Minnesota state fair.

Sec. 12. Minnesota Statutes 1994, section 298.22, subdivision 1, is amended to read:

Subdivision 1. (1) ~~The office of governor shall appoint the commissioner of iron range resources and rehabilitation is created. The commissioner shall be appointed by the governor under the provisions of section 15.06.~~

(2) The commissioner may hold ~~such~~ other positions or appointments as that are not incompatible with duties as commissioner of iron range resources and rehabilitation. The commissioner may appoint a deputy commissioner. All expenses of the commissioner, including the payment of such assistance as may be necessary, ~~shall~~ must be paid out of the amounts appropriated by section 298.28. ~~The compensation of the commissioner shall be set by the legislative coordinating commission and may not exceed the maximum salary set for the commissioner of administration under section 15A.081, subdivision 1.~~

(3) When the commissioner ~~shall determine~~ determines that distress and unemployment exists or may exist in the future in any county by reason of the removal of natural resources or a possibly limited use ~~thereof~~ of natural resources in the future and ~~the any~~ resulting decrease in employment ~~resulting therefrom, now or hereafter~~, the commissioner may use ~~such~~ whatever amounts of the appropriation made to the commissioner of revenue in section 298.28 as that are determined to be necessary and proper in the development of the remaining resources of ~~said~~ the county and in the vocational training and rehabilitation of its residents, except that the amount needed to cover cost overruns awarded to a contractor by an arbitrator in relation to a contract awarded by the commissioner or in effect after July 1, 1985, is appropriated from the general fund. For the purposes of this section, "development of remaining resources" includes, but is not limited to, the promotion of tourism.

Sec. 13. [EVALUATION.]

The commissioner of employee relations shall complete an evaluation of the relative responsibilities of the heads of state agencies and report to the president of the senate and the speaker of the house of representatives by January 1, 1997.

Sec. 14. [COMPENSATION COUNCIL RECOMMENDATIONS.]

(a) The salaries of constitutional officers, judges, and legislators are increased on January 6, 1997, by the lesser of:

(1) the April 1, 1995, recommendation of the compensation council to take effect in 1997; or

(2) the lowest across-the-board increase for the fiscal year ending June 30, 1996, included in a collective bargaining agreement or arbitration award for state employees that has been ratified by the legislature in 1996. The commissioner of employee relations shall certify the across-the-board increases included in each contract or arbitration award as it is presented to the legislative commission on employee relations.

(b) The salaries of constitutional officers, judges, and legislators are increased on January 1, 1998, by the lesser of:

(1) the April 1, 1995, recommendation of the compensation council to take effect in 1998; or

(2) the lowest across-the-board increase for the fiscal year ending June 30, 1997, included in a collective bargaining agreement or arbitration award for state employees that has been ratified by the legislature in 1996. The commissioner of employee relations shall certify the across-the-board increases included in each contract or arbitration award as it is presented to the legislative commission on employee relations.

The recommendation dated April 1, 1995, of the compensation council regarding salary increases to take effect on January 1, 1996, is adopted.

Sec. 15. [PHASE-IN OF SALARY INCREASES.]

(a) Notwithstanding Minnesota Statutes, section 15A.083, subdivision 6a, the salary of an administrative law judge in the classified service employed by the office of administrative hearings is 80 percent of the salary of a district court judge as set under Minnesota Statutes, section 15A.082, effective July 1, 1995, and 85 percent of that salary effective July 1, 1996. After June 30, 1997, the salary of an administrative law judge in the classified service employed by the office of administrative hearings is governed by Minnesota Statutes, section 15A.083, subdivision 6a.

(b) Notwithstanding Minnesota Statutes, section 15A.083, subdivision 6a, the salary of the assistant chief administrative law judge and the administrative law judge supervisor in the office of administrative hearings is 85 percent of the salary of a district court judge as set under Minnesota Statutes, section 15A.082, effective July 1, 1995, and 90 percent of that salary effective July 1, 1996. After June 30, 1997, the salary of the assistant chief administrative law judge and the administrative law judge supervisor is governed by Minnesota Statutes, section 15A.083, subdivision 6a.

(c) Notwithstanding Minnesota Statutes, section 15A.083, subdivision 7, the salary of a compensation judge is 80 percent of the salary of a district court judge as set under Minnesota Statutes, section 15A.082, effective July 1, 1995, and 85 percent of that salary effective July 1, 1996. After June 30, 1997, the salary of a compensation judge is governed by Minnesota Statutes, section 15A.083, subdivision 7.

Sec. 16. [REVISOR INSTRUCTION.]

The revisor of statutes shall substitute the reference "section 15A.0815" for each reference to sections 15A.081, subdivisions 1, 7, and 7b, and 43A.18, subdivision 5, wherever they occur in the next edition of Minnesota Statutes and Minnesota Rules.

Sec. 17. [REPEALER.]

Minnesota Statutes 1994, sections 15A.081, subdivisions 1, 7, and 7b; and 43A.18, subdivision 5, are repealed.

Sec. 18. [EFFECTIVE DATE.]

This act is effective July 1, 1995."

Delete the title and insert:

"A bill for an act relating to employment; establishing and modifying certain salary limits; requiring an evaluation of agency head responsibilities; amending Minnesota Statutes 1994, sections 3.855, subdivision 3; 15A.081, subdivision 8; 15A.083, subdivisions 5, 6a, and 7; 43A.17, subdivisions 1, 3, and by adding a subdivision; 43A.18, subdivision 4; 85A.02, subdivision 5a; and 298.22, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 15A; repealing Minnesota Statutes 1994, sections 15A.081, subdivisions 1, 7, and 7b; and 43A.18, subdivision 5."

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

**SECOND READING OF SENATE BILLS**

S.F. Nos. 1136, 1551, 979, 1314, 604, 1246, 877, 900, 339, 429, 1393, 1122, 503, 1103, 1089, 217, 1020, 512, 871 and 1406 were read the second time.

**SECOND READING OF HOUSE BILLS**

H.F. Nos. 617, 1246, 2, 446 and 493 were read the second time.

**RECESS**

Mr. Moe, R.D. moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

**APPOINTMENTS**

Mr. Moe, R.D. from the Subcommittee on Committees recommends that the following Senators be and they hereby are appointed as a Conference Committee on:

H.F. No. 1000: Messrs. Pogemiller, Knutson, Ms. Robertson, Krentz and Mr. Langseth.

Mr. Moe, R.D. moved that the foregoing appointments be approved. The motion prevailed.

**MEMBERS EXCUSED**

Mr. Novak was excused from the Session of today. Mr. Bertram was excused from the Session of today from 10:00 to 11:07 a.m. Mr. Dille was excused from the Session of today from 10:00 to 11:20 a.m. Mr. Vickerman was excused from the Session of today from 10:30 to 11:25 a.m. Mr. Oliver was excused from the Session of today from 10:00 to 11:55 a.m. Mr. Johnson, D.E. was excused from the Session of today from 11:30 a.m. to 12:00 noon. Ms. Wiener was excused from the Session of today from 11:30 a.m. to 1:00 p.m. Ms. Johnston was excused from the Session of today from 11:45 a.m. to 12:00 noon and from 1:45 to 2:00 p.m. Ms. Reichgott Junge was excused from the Session of today from 10:00 to 10:30 a.m.

**ADJOURNMENT**

Mr. Moe, R.D. moved that the Senate do now adjourn until 9:00 a.m., Tuesday, May 2, 1995. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate