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OF THE  
HOUSE  
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SEVENTY-SEVENTH SESSION  
OF THE  
LEGISLATURE

STATE OF MINNESOTA

1992

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## STATE OF MINNESOTA

## SEVENTY-SEVENTH SESSION—1992

## FIFTY-NINTH DAY

SAINT PAUL, MINNESOTA, MONDAY, JANUARY 6, 1992

The House of Representatives convened at 2:00 p.m. and was called to order by Robert E. Vanasek, Speaker of the House.

Prayer was offered by the Reverend Doctor Gary Reiersen, Executive Director of the Greater Minneapolis Council of Churches, Minneapolis, Minnesota.

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

Speaker Vanasek introduced the new House member, Rich Krambeer, from District 47A and announced that he had previously been administered the oath of office and that his election certificate was on file. He was elected in an election held on December 17, 1991, to replace Linda Scheid whose resignation was effective on January 1, 1992.

The roll was called and the following members were present:

Abrams	Dorn	Jennings	McGuire	Peterson
Anderson, I.	Erhardt	Johnson, A.	McPherson	Pugh
Anderson, R.	Farrell	Johnson, R.	Milbert	Reding
Anderson, R. H.	Frederick	Johnson, V.	Morrison	Rest
Battaglia	Frerichs	Kahn	Munger	Rice
Bauerly	Garcia	Kalis	Murphy	Rodosovich
Beard	Girard	Kelso	Nelson, K.	Rukavina
Begich	Goodno	Kinkel	Nelson, S.	Runbeck
Bertram	Greenfield	Knickerbocker	Newinski	Sarna
Bettermann	Gruenes	Koppendrayner	O'Connor	Schafer
Bishop	Gutknecht	Krambeer	Ogren	Schreiber
Blatz	Hanson	Krinkie	Olsen, S.	Seaberg
Bodahl	Hartle	Krueger	Olson, E.	Segal
Boo	Hasskamp	Lasley	Olson, K.	Simoneau
Brown	Haukoos	Leppik	Omann	Skoglund
Carlson	Hausman	Lieder	Onnen	Smith
Carruthers	Heir	Limmer	Orenstein	Solberg
Clark	Henry	Long	Orfield	Sparby
Cooper	Hufnagle	Lourey	Osthoff	Stanisus
Dauner	Hugoson	Lynch	Ostrom	Steensma
Davids	Jacobs	Macklin	Ozment	Sviggum
Dawkins	Janezich	Mariani	Pauly	Swenson
Dempsey	Jaros	Marsh	Pellow	Thompson
Dille	Jefferson	McEachern	Pelowski	Tompkins



The nomination was seconded by Munger; Anderson, I., and Vellenga.

The name of Knickerbocker was placed in nomination by Abrams. The nomination was seconded by Dempsey.

There being no further nominations, the Speaker declared the nominations closed.

The clerk called the roll on the election of a Speaker.

The following members of the House voted for Long:

Anderson, I.	Garcia	Krueger	Olson, K.	Skoglund
Battaglia	Greenfield	Lasley	Orenstein	Solberg
Bauerly	Hanson	Lieder	Orfield	Sparby
Beard	Hasskamp	Long	Osthoff	Steenasma
Begich	Hausman	Lourey	Ostrom	Thompson
Bertram	Jacobs	Mariani	Pelowski	Trimble
Bodahl	Janezich	McEachern	Peterson	Tunheim
Brown	Jaros	McGuire	Pugh	Vellenga
Carlson	Jefferson	Milbert	Reding	Wagenius
Carruthers	Jennings	Munger	Rest	Wejzman
Clark	Johnson, A.	Murphy	Rice	Welle
Cooper	Johnson, R.	Nelson, K.	Rodosovich	Wenzel
Dauner	Kahn	Nelson, S.	Rukavina	Winter
Dawkins	Kalis	O'Connor	Sarna	Spk. Vanasek
Dorn	Kelso	Ogren	Segal	
Farrell	Kinkel	Olson, E.	Simoneau	

Long received 78 votes.

The following members of the House voted for Knickerbocker:

Abrams	Ferichs	Knickerbocker	Olsen, S.	Sviggum
Anderson, R.	Girard	Koppendrayer	Omann	Swenson
Anderson, R. H.	Goodno	Krambeer	Onnen	Tompkins
Bettermann	Gruenes	Krinkie	Ozment	Uphus
Bishop	Gutknecht	Leppik	Pauly	Valento
Blatz	Hartle	Limmer	Pellow	Waltman
Boo	Haukoos	Lynch	Runbeck	Weaver
Davids	Heir	Macklin	Schafer	Welker
Dempsey	Henry	Marsh	Schreiber	
Dille	Hufnagle	McPherson	Seaberg	
Erhardt	Hugoson	Morrison	Smith	
Frederick	Johnson, V.	Newinski	Stanius	

Knickerbocker received 56 votes.

Dee Long, having received a majority of the votes cast, was declared duly elected Speaker of the House.

Kelso, Jefferson, Thompson, Kahn, Krueger, Pauly and Anderson, R., were appointed to escort the Speaker-elect to the rostrum.

## OATH OF OFFICE

The oath of office was administered to Speaker-elect Dee Long by the Honorable Rosalie E. Wahl, Associate Justice of the Minnesota Supreme Court. The Speaker expressed her appreciation for the honor bestowed upon her.

**INTRODUCTION AND FIRST READING  
OF HOUSE BILLS**

House File Nos. 1726 through 1739 were pre-filed with the Speaker during the recess, given a file number and unofficially referred to committee pursuant to House Rule 5.11. The following is the official introduction and committee reference:

Rodosovich, for the Committee on Redistricting, introduced:

H. F. No. 1726, A bill for an act relating to technical and other corrections to the legislative redistricting plan; amending Laws 1991, chapter 246.

The bill was read for the first time and referred to the Committee on Redistricting.

Ogren introduced:

H. F. No. 1727, A bill for an act relating to taxation; sales; modifying the exemption for occasional sales; amending Minnesota Statutes 1990, section 297A.25, subdivision 12, as amended.

The bill was read for the first time and referred to the Committee on Taxes.

Rodosovich, for the Committee on Redistricting, introduced:

H. F. No. 1728, A bill for an act relating to elections; changing the boundaries of congressional districts; proposing coding for new law in Minnesota Statutes, chapter 2; repealing Minnesota Statutes 1990, sections 2.741; 2.751; 2.761; 2.771; 2.781; 2.791; 2.801; and 2.811.

The bill was read for the first time and referred to the Committee on Redistricting.

Morrison, Rice, Clark and Sparby introduced:

H. F. No. 1729, A bill for an act relating to lotteries; regulating the games and contests; restricting the director's authority to conduct games or contests that do not require the purchase of a ticket from a lottery retailer; amending Minnesota Statutes 1990, section 349A.13.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Janezich, Munger, Begich, Rukavina and Jaros introduced:

H. F. No. 1730, A bill for an act relating to taxation; exempting certain ships from the sales and use tax; amending Minnesota Statutes 1990, section 297A.25, subdivision 45.

The bill was read for the first time and referred to the Committee on Taxes.

Lasley, Boo, Carruthers, Peterson and Ostrom introduced:

H. F. No. 1731, A bill for an act relating to elections; repealing the law requiring Minnesota to hold a presidential primary; repealing Minnesota Statutes 1990, sections 207A.01; 207A.02; 207A.03; 207A.04; 207A.06; 207A.07; 207A.08; and 207A.09.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Dempsey introduced:

H. F. No. 1732, A bill for an act relating to life insurance; authorizing policies for the benefit of a charity; proposing coding for new law in Minnesota Statutes, chapter 61A.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Schafer, Krinkie and Frederick introduced:

H. F. No. 1733, A bill for an act relating to taxation; exempting occasional sales of tangible personal property primarily used in a trade or business; amending Minnesota Statutes 1991 Supplement, section 297A.25, subdivision 12.

The bill was read for the first time and referred to the Committee on Taxes.

Johnson, V.; Dempsey; Waltman; Gruenes and Schafer introduced:

H. F. No. 1734, A bill for an act relating to taxation; exempting occasional sales of tangible personal property primarily used in a trade or business; amending Minnesota Statutes 1991 Supplement, section 297A.25, subdivision 12.

The bill was read for the first time and referred to the Committee on Taxes.

Johnson, V.; Dempsey; Waltman; Gruenes and Davids introduced:

H. F. No. 1735, A bill for an act relating to elections; repealing the law requiring Minnesota to hold a presidential primary; repealing Minnesota Statutes 1990, sections 207A.01; 207A.02; 207A.03; 207A.04; 207A.06; 207A.07; 207A.08; and 207A.09.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Lieder and Kalis introduced:

H. F. No. 1736, A bill for an act relating to transportation; authorizing the issuance of \$150,000,000 in state transportation bonds; appropriating the proceeds for grants to political subdivisions for bridge construction and reconstruction.

The bill was read for the first time and referred to the Committee on Transportation.

Uphus and Omann introduced:

H. F. No. 1737, A bill for an act proposing an amendment to the Minnesota Constitution, article I, by adding a section; authorizing the death penalty for first degree murder.

The bill was read for the first time and referred to the Committee on Judiciary.

Vellenga, Wagenius and Blatz introduced:

H. F. No. 1738, A bill for an act relating to family law; modifying the requirements for a person other than a parent who seeks child

custody or visitation; amending Minnesota Statutes 1990, section 518.156, subdivision 1.

The bill was read for the first time and referred to the Committee on Judiciary.

Pelowski introduced:

H. F. No. 1739, A bill for an act relating to elections; repealing the law requiring Minnesota to hold a presidential primary; repealing Minnesota Statutes 1990, sections 207A.01; 207A.02; 207A.03; 207A.04; 207A.06; 207A.07; 207A.08; and 207A.09.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

House Files Nos. 1740 through 1761 were not pre-filed pursuant to House Rule 5.11 and were introduced on the 59th legislative day as follows:

Carlson, Long, McGuire, Morrison and Hausman introduced:

H. F. No. 1740, A bill for an act relating to education; University of Minnesota; appropriating money for the institute of technology and system specials.

The bill was read for the first time and referred to the Committee on Appropriations.

McEachern; Johnson, A.; Jefferson; Simoneau and Bauerly introduced:

H. F. No. 1741, A bill for an act relating to education; increasing funding for early childhood programs; increasing funding for individualized learning and development program; altering the budget reserve; appropriating money; amending Minnesota Statutes 1990, section 124.331, subdivisions 1 and 3; Minnesota Statutes 1991 Supplement, sections 16A.15, subdivision 6; 121.831; 124.2711, subdivisions 3 and 4; and 124.332, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 124.

The bill was read for the first time and referred to the Committee on Education.

Wenzel; Anderson, I.; Garcia and Osthoff introduced:

H. F. No. 1742, A bill for an act relating to crime; providing for life imprisonment without release for certain persons convicted of first degree murder or repeat violent sex offenses; requiring consecutive sentences for persons convicted of multiple violent crimes; removing the crime of intentional second degree murder from the sentencing guidelines; providing mandatory minimum sentences for persons convicted of second and third degree murder, certain sex offenses, and first degree assault; reducing the good time allowance for violent offenders; granting the attorney general concurrent authority to prosecute felony offenses; expanding the sex offender registration statute; requiring the commissioner of corrections to determine whether a "psychopathic personality" commitment petition should be filed before releasing a sex offender from prison; authorizing bonding for capital improvements; changing penalties for certain prostitution related crimes; appropriating money; amending Minnesota Statutes 1990, sections 8.01; 244.04, subdivisions 1, 3, and by adding a subdivision; 244.05, subdivisions 4, 5, and by adding a subdivision; 609.15, by adding a subdivision; 609.184, subdivision 2; 609.19; 609.195; 609.221; 609.322; 609.323; 609.342, subdivision 2; 609.343, subdivision 2; and 609.346, subdivision 2a; Minnesota Statutes 1991 Supplement, section 243.166, subdivisions 1, 3, and 6.

The bill was read for the first time and referred to the Committee on Judiciary.

Dempsey introduced:

H. F. No. 1743, A bill for an act relating to family law; child support; providing that a motion pending in district court must be decided by the court before any proceedings may be commenced with an administrative law judge; providing that when certain proceedings are pending in district court, child support matters related to those proceedings must be decided by the district court; amending Minnesota Statutes 1990, section 518.551, subdivision 10.

The bill was read for the first time and referred to the Committee on Judiciary.

Dempsey introduced:

H. F. No. 1744, A bill for an act relating to retirement; public employees retirement association; providing entitlement for optional annuities to certain surviving spouses of certain deceased disabled persons.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Orfield introduced:

H. F. No. 1745, A bill for an act relating to statutes of limitations; enacting the uniform conflict of laws-limitations act; proposing coding for new law in Minnesota Statutes, chapter 541.

The bill was read for the first time and referred to the Committee on Judiciary.

Orfield introduced:

H. F. No. 1746, A bill for an act relating to probate; updating the uniform simultaneous death act; amending Minnesota Statutes 1990, section 525.90.

The bill was read for the first time and referred to the Committee on Judiciary.

Orfield introduced:

H. F. No. 1747, A bill for an act relating to environment; providing reciprocal access to courts and administrative agencies for injuries caused by transboundary pollution; proposing coding for new law in Minnesota Statutes, chapter 543.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Orfield introduced:

H. F. No. 1748, A bill for an act proposing an amendment to the Minnesota Constitution, article I, by adding a section; providing for equality of rights under the law for men and women.

The bill was read for the first time and referred to the Committee on Judiciary.

Blatz introduced:

H. F. No. 1749, A bill for an act relating to drivers' licenses; motorized bicycles; reducing to 14 the minimum age for issuance of motorized bicycle permits and instruction permits; imposing certain requirements on motorized bicycle operators who are age 14; amending Minnesota Statutes 1990, sections 169.974, subdivision 2; and 171.02, subdivision 3; repealing Minnesota Statutes 1990, section 171.05, subdivision 3.

The bill was read for the first time and referred to the Committee on Transportation.

Osthoff introduced:

H. F. No. 1750, A bill for an act relating to horse racing; prohibiting pari-mutuel licensees from accepting wagers made by telephone or made on credit; amending Minnesota Statutes 1991 Supplement, section 240.13, subdivision 8.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Olsen, S., introduced:

H. F. No. 1751, A bill for an act relating to trade regulations; regulating certain interactive telephone services; providing penalties and remedies; proposing coding for new law in Minnesota Statutes, chapter 325E.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Segal introduced:

H. F. No. 1752, A bill for an act relating to family law; limiting consideration of a physical or mental disability in custody determinations; amending Minnesota Statutes 1990, sections 257.025; and 518.17, subdivision 1.

The bill was read for the first time and referred to the Committee on Judiciary.

Onnen introduced:

H. F. No. 1753, A bill for an act relating to employment; requiring certain employers to make employee-funded health care premium payments under certain conditions; proposing coding for new law in Minnesota Statutes, chapter 181.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Onnen introduced:

H. F. No. 1754, A bill for an act relating to taxation; exempting



occasional sales of tangible personal property primarily used in a trade or business; amending Minnesota Statutes 1991 Supplement, section 297A.25, subdivision 12.

The bill was read for the first time and referred to the Committee on Taxes.

Orfield, Stanius, O'Connor, Thompson and Tompkins introduced:

H. F. No. 1755, A bill for an act relating to state purchases; requiring public entities to ensure that documents of historical value are printed on acid-free permanent paper; amending Minnesota Statutes 1991 Supplement, section 16B.122, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Jefferson introduced:

H. F. No. 1756, A bill for an act relating to the Minneapolis park and recreation board; providing for two members appointed by the Minneapolis park and recreation board on the Minneapolis reapportionment commission; establishing standards for park board redistricting.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Jefferson introduced:

H. F. No. 1757, A bill for an act relating to the city of Minneapolis; regulating the use of the proceeds of the city sales and use tax; permitting their use for school readiness centers; amending Laws 1986, chapter 396, section 4, subdivision 3, as amended.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Greenfield, Simoneau and Long introduced:

H. F. No. 1758, A bill for an act relating to human services; temporarily removing the time limit on work readiness assistance.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Morrison; Olsen, S.; Frederick and Limmer introduced:

H. F. No. 1759, A bill for an act relating to elections; repealing the law requiring Minnesota to hold a presidential primary; repealing Minnesota Statutes 1990, sections 207A.01; 207A.02; 207A.03; 207A.04; 207A.06; 207A.07; 207A.08; and 207A.09.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Anderson, R.; Thompson; Nelson, S., and Dauner introduced:

H. F. No. 1760, A bill for an act relating to elections; repealing the law requiring Minnesota to hold a presidential primary; repealing Minnesota Statutes 1990, sections 207A.01; 207A.02; 207A.03; 207A.04; 207A.06; 207A.07; 207A.08; and 207A.09.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Dempsey introduced:

H. F. No. 1761, A bill for an act relating to alcoholic beverages; municipal liquor stores; specifying the conditions under which a municipality is required to hold a public hearing on the question of continued operation of a municipal liquor store; amending Minnesota Statutes 1990, section 340A.602.

The bill was read for the first time and referred to the Committee on Regulated Industries.

## MESSAGES FROM THE SENATE

The following message from the Senate was in possession of the House when the 1991 Session adjourned.

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 1174, 1433 and 1562.

PATRICK E. FLAHAVEN, Secretary of the Senate

**FIRST READING OF SENATE BILLS**

S. F. No. 1174, A bill for an act relating to water; modifying the definition of once-through system; setting a minimum water use processing fee for water use permits issued for irrigation; amending Minnesota Statutes 1990, sections 103G.005, subdivision 13a; and 103G.271, subdivision 6.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

S. F. No. 1433, A bill for an act relating to self-insurance; regulating custodial accounts; amending Minnesota Statutes 1990, sections 79A.02, by adding subdivisions; 79A.03, subdivisions 3, 7, and 9; 79A.04, subdivision 2; and 79A.06, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 79A; repealing Minnesota Rules, part 2780.0400, subparts 2, 3, 6, 7, and 8.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

S. F. No. 1562, A bill for an act relating to legislative enactments; providing for the correction of miscellaneous oversights, inconsistencies, ambiguities, unintended results, and technical errors of a noncontroversial nature; amending Minnesota Statutes 1990, sections 2.031, subdivision 2, as amended; 82B.05, subdivision 1, as amended; 82B.11, subdivision 1, as amended; 82B.17, as amended; 82B.19, subdivision 3, as amended; 92.46, subdivision 1, as amended; 121.11, subdivision 12; 123.3514, subdivision 6, as amended; 124A.03, subdivision 2, as amended; 126.22, subdivision 8, as amended; 136D.90, subdivisions 1 and 2, as amended; 273.13, subdivision 25, as amended; 290.191, subdivision 4; 302A.461, subdivision 2, as amended; 469.101, subdivision 23, as amended; 1991 H.F. No. 719, article 4, section 67, subdivision 1; 1991 S.F. No. 598, article 7, section 9; 1991 H.F. No. 719, article 5, section 72; 1991 H.F. No. 2, article 2, section 7; 1991 H.F. No. 700, article 6, section 67, subdivision 1; 1991 H.F. No. 700, article 1, section 29; 1991 H.F. No. 700, article 4, section 34; 1991 H.F. No. 700, article 6, section 39, subdivision 6; 1991 H.F. No. 700, article 7, section 13, subdivision 1; 1991 H.F. No. 700, article 8, section 20; 1991 H.F. No. 700, article 9, section 33, subdivision 5; 1991 H.F. No. 700, article 9, section 76; Laws 1989, chapter 341, article 1, section 26; Laws 1991, chapter 97, section 15; Laws 1991, chapter 246, sections 4, subdivision 1; 7, subdivision 2; 12, subdivision 1; 17, subdivision 2; 23, subdivision 1; 29, subdivision 2; 31; 34, subdivision 2; 38, subdivision 2; 39, subdivision 2; 40, subdivision 2; 41, subdivision 2, 42, subdivision 1; 43, subdivision 1; 44, subdivision 1; 47, subdivision 2; 49, subdivision 1; 50; 51; 53; 54, subdivision 2; 55, subdivision 2; 56, subdivision 1; 58, subdivision 1; 60, subdivision 1; 62, subdivision 1; 64,

subdivision 2; 65, subdivision 1; 66, subdivision 1; 67; 68, subdivision 2; 69, and by adding a section.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

## MOTIONS AND RESOLUTIONS

Wenzel moved that the following statement be printed in the Permanent Journal of the House:

“It was my intention to vote in the negative on Monday, May 20, 1991, on S. F. No. 506, as amended by Conference.” The motion prevailed.

Johnson, V., moved that H. F. No. 852 be returned to its author. The motion prevailed.

## ANNOUNCEMENT BY THE SPEAKER

In order to preserve order and decorum in the House Chamber as provided in House Rule 7.01, paragraph 2, and in order to maintain an atmosphere of courtesy and respect for members who have the floor, the following policies will be in effect for the 1992 legislative session:

(1) The provisions of House Rule 4.07 will be strictly enforced. Excessive noise or other obvious disturbance including but not limited to reading newspapers during the course of floor debate will not be tolerated. This policy applies to House members and any other persons admitted to the House Chamber when the House is in session. The Sergeant at Arms will enforce this policy.

(2) In accordance with House Rule 4.09, legislative staff should not be on the House floor or in the House retiring room unless they have specific business with a House member. In addition, the House retiring room shall not be used for meetings with staff or other persons by House members unless arrangements are made in advance with the Office of the Speaker. The Sergeant at Arms is instructed to enforce this policy.

(3) House members may consume coffee, tea and soft drinks at their desks when the House is in session, but food and other snacks will not be allowed in the House Chamber when the House is in session.

This policy shall also apply to all meetings of House standing committees, divisions, and subcommittees.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the following changes in committee assignments:

Commerce: Add the name of Krambeer.

Education: Remove the name of Scheid and add the name of Skoglund.

Education/Education Finance Division: Remove the name of Scheid and add the name of Skoglund.

Energy: Add the name of Krambeer.

General Legislation, Veterans Affairs and Gaming: Remove the name of Scheid and add the name of Vanasek.

Health and Human Services: Remove the name of Welle and add the name of Rodosovich, and also add the name of Rodosovich as Chair.

Labor-Management Relations: Add the name of Krambeer.

Rules and Legislative Administration: Remove the name of Vanasek and add the name of Welle, and remove the name of Long as Chair and add the name of Welle as Chair.

Taxes: Remove the names of Scheid and Skoglund.

Transportation: Remove the name of Welle and add the name of Clark.

ADJOURNMENT

Welle moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Tuesday, January 7, 1992.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



STATE OF MINNESOTA  
SEVENTY-SEVENTH SESSION—1992

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SIXTIETH DAY

SAINT PAUL, MINNESOTA, TUESDAY, JANUARY 7, 1992

The House of Representatives convened at 2:30 p.m. and was called to order by Dee Long, Speaker of the House.

Prayer was offered by Father Robert Johnson, Nativity of Mary Catholic Church, Bloomington, Minnesota.

The roll was called and the following members were present:

Abrams	Frederick	Kelso	Ogren	Simoneau
Anderson, I.	Frerichs	Kinkel	Olsen, S.	Skoglund
Anderson, R.	Garcia	Knickerbocker	Olsen, E.	Smith
Anderson, R. H.	Girard	Koppendraye	Olsen, K.	Solberg
Battaglia	Goodno	Krambeer	Omann	Sparby
Bauerly	Greenfield	Krinkie	Onnen	Stanius
Beard	Gruenes	Krueger	Orenstein	Steensma
Begich	Gutknecht	Lasley	Orfield	Sviggum
Bertram	Hanson	Leppik	Osthoff	Swenson
Bettermann	Hartle	Lieder	Ostrom	Thompson
Bishop	Hasskamp	Limmer	Ozment	Tompkins
Blatz	Haukoos	Lourey	Pauly	Trimble
Bodahl	Hausman	Lynch	Pellow	Tunheim
Boo	Heir	Macklin	Pelowski	Uphus
Brown	Henry	Mariani	Peterson	Valento
Carlson	Hufnagle	Marsh	Pugh	Vanasek
Carruthers	Hugoson	McEachern	Reding	Vellenga
Clark	Jacobs	McGuire	Rest	Wagenius
Cooper	Janezich	McPherson	Rice	Waltman
Dauner	Jaros	Milbert	Rodosovich	Weaver
Dauids	Jefferson	Morrison	Rukavina	Wejzman
Dawkins	Jennings	Munger	Runbeck	Welker
Dempsey	Johnson, A.	Murphy	Sarna	Welle
Dille	Johnson, R.	Nelson, K.	Schafer	Wenzel
Dorn	Johnson, V.	Nelson, S.	Schreiber	Winter
Erhardt	Kahn	Newinski	Seaberg	Spk. Long
Farrell	Kalis	O'Connor	Segal	

A quorum was present.

The Chief Clerk proceeded to read the Journal of the preceding day. Dauner moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

**INTRODUCTION AND FIRST READING  
OF HOUSE BILLS**

The following House Files were introduced:

Kahn, Welker, Hausman, Sparby and Clark introduced:

H. F. No. 1762, A bill for an act relating to metropolitan affairs; prohibiting certain metropolitan airports commission bond proceeds from being used to pay down leveraged buy-out debt; amending Minnesota Statutes 1991 Supplement, section 473.667, subdivision 11.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Rodosovich introduced:

H. F. No. 1763, A bill for an act relating to state lands; authorizing the conveyance or release of a state easement in Faribault.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Solberg; Kinkel; Anderson, I., and Uphus introduced:

H. F. No. 1764, A bill for an act relating to game and fish; issuance of antlerless deer permits to elderly residents; amending Minnesota Statutes 1990, section 97A.451, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Smith introduced:

H. F. No. 1765, A bill for an act relating to children; clarifying certain provisions of the law regulating minority race or heritage adoptions; amending Minnesota Statutes 1990, section 259.28, subdivision 2.

The bill was read for the first time and referred to the Committee on Judiciary.

Smith introduced:

H. F. No. 1766, A bill for an act relating to commerce; real estate



brokers; creating a lien for unpaid leasing commissions and providing for its enforcement; proposing coding for new law in Minnesota Statutes, chapter 514.

The bill was read for the first time and referred to the Committee on Commerce.

Hanson and Anderson, I., introduced:

H. F. No. 1767, A bill for an act relating to counties; prohibiting certain officers from serving on internal audit bodies; proposing coding for new law in Minnesota Statutes, chapter 384.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Boo introduced:

H. F. No. 1768, A bill for an act relating to taxation; exempting certain ships from the sales and use tax; amending Minnesota Statutes 1990, section 297A.25, subdivision 45.

The bill was read for the first time and referred to the Committee on Taxes.

Omann introduced:

H. F. No. 1769, A bill for an act relating to agriculture; changing certain provisions of the family farm security program; amending Minnesota Statutes 1990, sections 41.55; and 41.57.

The bill was read for the first time and referred to the Committee on Agriculture.

Omann and Koppendrayner introduced:

H. F. No. 1770, A bill for an act relating to taxation; exempting occasional sales of tangible personal property primarily used in a trade or business; amending Minnesota Statutes 1991 Supplement, section 297A.25, subdivision 12.

The bill was read for the first time and referred to the Committee on Taxes.

Omann, Bettermann, Uphus and Koppendrayser introduced:

H. F. No. 1771, A bill for an act relating to elections; repealing the law requiring Minnesota to hold a presidential primary; repealing Minnesota Statutes 1990, sections 207A.01; 207A.02; 207A.03; 207A.04; 207A.06; 207A.07; 207A.08; and 207A.09.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Kalis; Peterson; Steensma; Nelson, S., and Dauner introduced:

H. F. No. 1772, A bill for an act relating to taxation; sales; modifying the exemption for occasional sales; amending Minnesota Statutes 1991 Supplement, section 297A.25, subdivision 12.

The bill was read for the first time and referred to the Committee on Taxes.

Davids, Waltman, Bettermann and Ostrom introduced:

H. F. No. 1773, A bill for an act relating to appropriations; requiring disbursement of money for the Camp Creek trail system.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Bettermann, Omann, Stanius, Uphus and Hugoson introduced:

H. F. No. 1774, A bill for an act relating to crimes; authorizing imposition of the death penalty for first degree murder following conviction for a heinous crime; providing a statutory framework, including procedures and criteria, consistent with due process for determining when the imposition of the death penalty is appropriate; providing for automatic appellate review of death penalty cases; providing for appointment of attorneys in death penalty cases; providing an administrative framework for implementing the death penalty; amending Minnesota Statutes 1990, sections 243.05, subdivision 1; 609.10; 609.12, subdivision 1; 609.135, subdivision 1; 609.185; Minnesota Statutes 1991 Supplement, section 611.25, by adding a subdivision; proposing coding for new law as Minnesota Statutes, chapter 609A.

The bill was read for the first time and referred to the Committee on Judiciary.

Reding; Jefferson; Johnson, R.; O'Connor and Knickerbocker introduced:

H. F. No. 1775, A bill for an act relating to retirement; public employees police and fire fund; modifying member and employer contribution rates to reflect actuarial funding requirements; amending Minnesota Statutes 1990, section 353.65, subdivisions 2 and 3.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Jaros, Gruenes, Garcia and Goodno introduced:

H. F. No. 1776, A bill for an act relating to education; allowing perennial migrant workers resident tuition status; amending Minnesota Statutes 1991 Supplement, section 135A.03, subdivision 7.

The bill was read for the first time and referred to the Committee on Education.

Schreiber and Jacobs introduced:

H. F. No. 1777, A bill for an act relating to alcoholic beverages; authorizing the issuance of an on-sale intoxicating liquor license.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Orfield; Anderson, I.; Garcia; Carruthers and Ozment introduced:

H. F. No. 1778, A bill for an act relating to metropolitan government; limiting the authority of the metropolitan council to authorize issuance of bonds for sewer facilities; limiting the authority of the public facilities authority to fund certain sewer projects; amending Minnesota Statutes 1990, sections 446A.05, subdivision 1, and by adding a subdivision; and 473.541, subdivisions 3, 4, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Kahn, Orenstein, Wagenius, Welker and Greenfield introduced:

H. F. No. 1779, A bill for an act relating to public finance; providing a general limit on the purposes of public debt; proposing coding for new law in Minnesota Statutes, chapter 16A.

The bill was read for the first time and referred to the Committee on Appropriations.

Frerichs and Davids introduced:

H. F. No. 1780, A bill for an act relating to local government; exempting the town of Marion from levy limits.

The bill was read for the first time and referred to the Committee on Taxes.

Dauner; Anderson, R.; Nelson, S.; Bertram and Kinkel introduced:

H. F. No. 1781, A bill for an act relating to lawful gambling; specifying that certain expenditures for senior citizens and conservation programs are lawful purposes; amending Minnesota Statutes 1991 Supplement, section 349.12, subdivision 25.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Haukoos and Dempsey introduced:

H. F. No. 1782, A bill for an act relating to higher education; appropriating money for education and related purposes to the University of Minnesota.

The bill was read for the first time and referred to the Committee on Appropriations.

Jaros and Osthoff introduced:

H. F. No. 1783, A bill for an act relating to lotteries; requiring the director to establish sports pool games; establishing a human resources account in the general fund, to which all net proceeds from these games must be credited; appropriating money for nutrition, housing, and health care; amending Minnesota Statutes 1990, sections 145A.14, by adding a subdivision; 349A.04; and 349A.13; Minnesota Statutes 1991 Supplement, section 349A.10, subdivision 5; proposing coding for new law in Minnesota Statutes, chapters 256 and 268.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Cooper, Dille and Bauerly introduced:

H. F. No. 1784, A bill for an act relating to education; extending interactive television levy authority to school districts in economic region six; amending Minnesota Statutes 1991 Supplement, section 275.125, subdivision 11g.

The bill was read for the first time and referred to the Committee on Education.

Swenson, Milbert, Morrison, Pugh and Macklin introduced:

H. F. No. 1785, A bill for an act relating to driving while intoxicated; broadening the crime of criminal vehicular homicide and injury; establishing mandatory minimum sentences for criminal vehicular homicide and injury; amending Minnesota Statutes 1990, sections 609.135, subdivision 1; and 609.21.

The bill was read for the first time and referred to the Committee on Judiciary.

Swenson, Milbert, Morrison, Pugh and Seaberg introduced:

H. F. No. 1786, A bill for an act relating to driving while intoxicated; imposing minimum penalties on repeat offenders; amending Minnesota Statutes 1990, section 169.121, subdivision 3a.

The bill was read for the first time and referred to the Committee on Judiciary.

Anderson, R.; Bauerly, Nelson, K.; McEachern and Ozment introduced:

H. F. No. 1787, A bill for an act relating to education; increasing the maximum general education revenue generated by certain alternative high school program pupils; clarifying the required number of school days in the school year; amending Minnesota Statutes 1990, section 120.101, subdivision 5; Minnesota Statutes 1991 Supplement, sections 120.101, subdivision 5b; and 124.19, subdivisions 1, 1b, and 7.

The bill was read for the first time and referred to the Committee on Education.

Ozment, Schafer, Hartle, Weaver and Tompkins introduced:

H. F. No. 1788, A bill for an act relating to education; creating a

formula-based equalized levy and aid for school district debt service needs; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 124; repealing Minnesota Statutes 1990, section 124.95.

The bill was read for the first time and referred to the Committee on Education.

Schreiber introduced:

H. F. No. 1789, A bill for an act relating to the local government trust fund; providing for payments from the fund for fiscal years 1994 and 1995.

The bill was read for the first time and referred to the Committee on Taxes.

Orenstein, Brown, Munger, Kahn and Jaros introduced:

H. F. No. 1790, A bill for an act relating to education; University of Minnesota; appropriating money for the institute of technology and system specials.

The bill was read for the first time and referred to the Committee on Appropriations.

Skoglund introduced:

H. F. No. 1791, A bill for an act relating to insurance; Minnesota comprehensive health association; increasing the maximum lifetime benefit amounts of certain state plan coverages; extending the effective date of the authorization of use of experimental delivery methods; amending Minnesota Statutes 1991 Supplement, sections 62E.10, subdivision 9; and 62E.12.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Solberg, Osthoff, Long, Abrams and Ogren introduced:

H. F. No. 1792, A bill for an act relating to elections; providing for the reimbursement of expenses for the 1992 presidential primary election; suspending the application of party choice provisions until a condition is met; requiring county auditors, the commissioner of revenue, and the secretary of state to perform certain duties; appropriating money.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Boo introduced:

H. F. No. 1793, A bill for an act relating to education; reappropriating money to the University of Minnesota for state special appropriations that were vetoed.

The bill was read for the first time and referred to the Committee on Appropriations.

Welle moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

### MESSAGES FROM THE SENATE

The following message was received from the Senate:

Madam Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 1596 and 1597.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 1596, A bill for an act relating to technical and other corrections to the legislative redistricting plan; amending Laws 1991, chapter 246.

The bill was read for the first time and referred to the Committee on Redistricting.

S. F. No. 1597, A bill for an act relating to elections; changing the boundaries of congressional districts; proposing coding for new law in Minnesota Statutes, chapter 2; repealing Minnesota Statutes 1990, sections 2.741; 2.751; 2.761; 2.771; 2.781; 2.791; 2.801; and 2.811.

The bill was read for the first time and referred to the Committee on Redistricting.

### MOTIONS AND RESOLUTIONS

Leppik moved that her name be stricken as an author on H. F. No. 1629. The motion prevailed.

Wagenius moved that her name be stricken as an author on H. F. No. 1704. The motion prevailed.

Ogren moved that his name be stricken and the name of Brown be added as chief author and that the names of Cooper and Winter be added as authors on H. F. No. 1727. The motion prevailed.

Schafer moved that the name of McPherson be added as an author on H. F. No. 1733. The motion prevailed.

Uphus moved that the name of Bettermann be added as an author on H. F. No. 1737. The motion prevailed.

Wenzel moved that the name of Marsh be added as an author on H. F. No. 1742. The motion prevailed.

Jefferson moved that the name of Clark be added as an author on H. F. No. 1757. The motion prevailed.

Greenfield moved that the names of Ogren and Clark be added as authors on H. F. No. 1758. The motion prevailed.

Morrison moved that the name of Onnen be added as an author on H. F. No. 1759. The motion prevailed.

### ADJOURNMENT

Welle moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Wednesday, January 8, 1992.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



## STATE OF MINNESOTA

## SEVENTY-SEVENTH SESSION — 1992

## SIXTY-FIRST DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, JANUARY 8, 1992

The House of Representatives convened at 2:30 p.m. and was called to order by Dee Long, Speaker of the House.

Prayer was offered by Monsignor James D. Habiger, House Chaplain.

The roll was called and the following members were present:

Abrams	Frederick	Knickerbocker	Olson, E.	Smith
Anderson, I.	Frerichs	Koppendrayner	Olson, K.	Solberg
Anderson, R.	Garcia	Krambeer	Omann	Sparby
Anderson, R. H.	Girard	Krinkie	Onnen	Stanius
Battaglia	Goodno	Krueger	Orenstein	Steenmsa
Bauerly	Greenfield	Lasley	Orfield	Sviggun
Beard	Gruenes	Leppik	Osthoff	Swenson
Begich	Gutknecht	Lieder	Ostrom	Thompson
Bertram	Hanson	Limmer	Ozment	Tompkins
Bettermann	Hasskamp	Lourey	Pauly	Trimble
Bishop	Haukoos	Lynch	Pellow	Tunheim
Blatz	Hausman	Macklin	Pelowski	Uphus
Bodahl	Heir	Mariani	Peterson	Valento
Boo	Henry	Marsh	Pugh	Vanasek
Brown	Hufnagle	McEachern	Reding	Vellenga
Carlson	Hugoson	McGuire	Rest	Wagenius
Carruthers	Jacobs	McPherson	Rice	Waltman
Clark	Janezich	Milbert	Rodosovich	Weaver
Cooper	Jaros	Morrison	Rukavina	Wejzman
Dauner	Jefferson	Munger	Runbeck	Welker
Dauids	Johnson, A.	Murphy	Sarna	Welle
Dawkins	Johnson, R.	Nelson, K.	Schafer	Wenzel
Dempsey	Johnson, V.	Nelson, S.	Schreiber	Winter
Dille	Kahn	Newinski	Seaberg	Spk. Long
Dorn	Kalis	O'Connor	Segal	
Erhardt	Kelso	Ogren	Simoneau	
Farrell	Kinkel	Olsen, S.	Skoglund	

A quorum was present.

Hartle and Jennings were excused.

The Chief Clerk proceeded to read the Journal of the preceding day. Lynch moved that further reading of the Journal be dispensed

with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

### **REPORTS OF STANDING COMMITTEES**

Rodosovich from the Committee on Redistricting to which was referred:

S. F. No. 1596, A bill for an act relating to technical and other corrections to the legislative redistricting plan; amending Laws 1991, chapter 246.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Rodosovich from the Committee on Redistricting to which was referred:

S. F. No. 1597, A bill for an act relating to elections; changing the boundaries of congressional districts; proposing coding for new law in Minnesota Statutes, chapter 2; repealing Minnesota Statutes 1990, sections 2.741; 2.751; 2.761; 2.771; 2.781; 2.791; 2.801; and 2.811.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

### **SECOND READING OF SENATE BILLS**

S. F. Nos. 1596 and 1597 were read for the second time.

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

The following House Files were introduced:

Munger, Boo and Jaros introduced:

H. F. No. 1794, A bill for an act relating to retirement; state patrol

retirement plan; eliminating an age-related limit on service credit; amending Minnesota Statutes 1990, section 352B.01, subdivision 3.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Thompson, Wenzel, Segal, Dauner and Anderson, R., introduced:

H. F. No. 1795, A bill for an act relating to the agricultural economy; authorizing certain obligations to assist in the use of agricultural industrial facilities in the city of Detroit Lakes; appropriating money.

The bill was read for the first time and referred to the Committee on Economic Development.

Thompson; Dauner; Nelson, S.; Kinkel and Anderson, R., introduced:

H. F. No. 1796, A bill for an act relating to liquor; authorizing municipal liquor stores to jointly purchase intoxicating malt liquor; amending Minnesota Statutes 1990, section 340A.312, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Solberg; Anderson, I.; Begich; Kinkel and Stanius introduced:

H. F. No. 1797, A bill for an act relating to game and fish; reducing deer license fees for residents under age 18; amending Minnesota Statutes 1991 Supplement, section 97A.475, subdivision 2.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Wenzel, Solberg, Vellenga, Farrell and Bauerly introduced:

H. F. No. 1798, A bill for an act relating to crime; providing for life imprisonment without release for certain persons convicted of first degree murder or repeat violent sex offenses; requiring consecutive sentences for persons convicted of multiple violent crimes; removing the crime of intentional second degree murder from the sentencing guidelines; providing mandatory minimum sentences for persons convicted of second and third degree murder, certain sex offenses, and first degree assault; reducing the good time allowance for violent offenders; granting the attorney general concurrent author-

ity to prosecute felony offenses; expanding the sex offender registration statute; requiring the commissioner of corrections to determine whether a "psychopathic personality" commitment petition should be filed before releasing a sex offender from prison; authorizing bonding for capital improvements; changing penalties for certain prostitution related crimes; appropriating money; amending Minnesota Statutes 1990, sections 8.01; 244.04, subdivisions 1, 3, and by adding a subdivision; 244.05, subdivisions 4, 5, and by adding a subdivision; 609.15, by adding a subdivision; 609.184, subdivision 2; 609.19; 609.195; 609.221; 609.322; 609.323; 609.342, subdivision 2; 609.343, subdivision 2; and 609.346, subdivision 2a; Minnesota Statutes 1991 Supplement, section 243.166, subdivisions 1, 3, and 6.

The bill was read for the first time and referred to the Committee on Judiciary.

Jaros, Munger, Boo, Janezich and Battaglia introduced:

H. F. No. 1799, A bill for an act relating to education; repealing the transfer of certain higher education programs offered by the community college system in the Duluth area; repealing Laws 1991, chapter 356, article 3, section 14.

The bill was read for the first time and referred to the Committee on Education.

Lasley; Bauerly; Olson, K.; McEachern and Johnson, R., introduced:

H. F. No. 1800, A bill for an act relating to education; authorizing transportation aid for late transportation for pupils involved in after school activities; amending Minnesota Statutes 1991 Supplement, sections 124.223, subdivision 1; and 124.225, subdivision 1; Laws 1991, chapter 265, article 2, section 19, subdivision 2.

The bill was read for the first time and referred to the Committee on Education.

Milbert and Pugh introduced:

H. F. No. 1801, A bill for an act relating to lawful gambling; removing certain limitations on real estate taxes and assessments as lawful purpose expenditures; amending Minnesota Statutes 1991 Supplement, section 349.12, subdivision 25.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Swenson, McPherson, Hanson, Solberg and Beard introduced:

H. F. No. 1802, A bill for an act relating to crimes; requiring the court to order sentences to run consecutively for crimes committed by inmates at state correctional facilities; proposing coding for new law in Minnesota Statutes, chapter 609.

The bill was read for the first time and referred to the Committee on Judiciary.

Bishop and Vellenga introduced:

H. F. No. 1803, A bill for an act relating to crimes; including certain assaults as disqualification for certain permits; amending Minnesota Statutes 1991 Supplement, section 624.712, subdivision 5.

The bill was read for the first time and referred to the Committee on Judiciary.

Olson, K.; Winter; Bertram; Lieder and Ostrom introduced:

H. F. No. 1804, A bill for an act relating to taxation; sales; modifying the exemption for occasional sales; amending Minnesota Statutes 1991 Supplement, section 297A.25, subdivision 12.

The bill was read for the first time and referred to the Committee on Taxes.

Leppik and Knickerbocker introduced:

H. F. No. 1805, A bill for an act relating to retirement; volunteer firefighters; permitting the payment of ancillary benefits to or on behalf of retired members under certain circumstances; amending Minnesota Statutes 1990, section 424A.02, subdivision 9.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Wenzel, Solberg, Steensma, Davids and Kinkel introduced:

H. F. No. 1806, A bill for an act relating to crime; providing for life imprisonment without release for certain persons convicted of first degree murder or repeat violent sex offenses; requiring consecutive sentences for persons convicted of multiple violent crimes; removing the crime of intentional second degree murder from the sentencing guidelines; providing mandatory minimum sentences for persons

convicted of second and third degree murder, certain sex offenses, and first degree assault; reducing the good time allowance for violent offenders; granting the attorney general concurrent authority to prosecute felony offenses; expanding the sex offender registration statute; requiring the commissioner of corrections to determine whether a "psychopathic personality" commitment petition should be filed before releasing a sex offender from prison; authorizing bonding for capital improvements; changing penalties for certain prostitution related crimes; appropriating money; amending Minnesota Statutes 1990, sections 8.01; 244.04, subdivisions 1, 3, and by adding a subdivision; 244.05, subdivisions 4, 5, and by adding a subdivision; 609.15, by adding a subdivision; 609.184, subdivision 2; 609.19; 609.195; 609.221; 609.322; 609.323; 609.342, subdivision 2; 609.343, subdivision 2; and 609.346, subdivision 2a; Minnesota Statutes 1991 Supplement, section 243.166, subdivisions 1, 3, and 6.

The bill was read for the first time and referred to the Committee on Judiciary.

Wenzel, Sparby, O'Connor, Hanson and Hasskamp introduced:

H. F. No. 1807, A bill for an act relating to crime; providing for life imprisonment without release for certain persons convicted of first degree murder or repeat violent sex offenses; requiring consecutive sentences for persons convicted of multiple violent crimes; removing the crime of intentional second degree murder from the sentencing guidelines; providing mandatory minimum sentences for persons convicted of second and third degree murder, certain sex offenses, and first degree assault; reducing the good time allowance for violent offenders; granting the attorney general concurrent authority to prosecute felony offenses; expanding the sex offender registration statute; requiring the commissioner of corrections to determine whether a "psychopathic personality" commitment petition should be filed before releasing a sex offender from prison; authorizing bonding for capital improvements; changing penalties for certain prostitution related crimes; appropriating money; amending Minnesota Statutes 1990, sections 8.01; 244.04, subdivisions 1, 3, and by adding a subdivision; 244.05, subdivisions 4, 5, and by adding a subdivision; 609.15, by adding a subdivision; 609.184, subdivision 2; 609.19; 609.195; 609.221; 609.322; 609.323; 609.342, subdivision 2; 609.343, subdivision 2; and 609.346, subdivision 2a; Minnesota Statutes 1991 Supplement, section 243.166, subdivisions 1, 3, and 6.

The bill was read for the first time and referred to the Committee on Judiciary.

Frerichs, Frederick, Swenson and Johnson, V., introduced:

H. F. No. 1808, A bill for an act relating to public administration;

authorizing spending to acquire and to better public land and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of state bonds; authorizing assessments for debt service; changing the disposition of receipts of the rail service improvement account; appropriating money; amending Minnesota Statutes 1990, section 222.49; Minnesota Statutes 1991 Supplement, section 124.479; proposing coding for new law in Minnesota Statutes, chapter 16A.

The bill was read for the first time and referred to the Committee on Appropriations.

Krueger; Steensma; Olson, K.; Sparby and Wenzel introduced:

H. F. No. 1809, A bill for an act relating to taxation; sales; modifying the exemption for occasional sales; amending Minnesota Statutes 1991 Supplement, section 297A.25, subdivision 12.

The bill was read for the first time and referred to the Committee on Taxes.

Anderson, R. H.; Koppendrayer; Sviggum and Girard introduced:

H. F. No. 1810, A bill for an act relating to taxation; exempting occasional sales of tangible personal property primarily used in a trade or business; amending Minnesota Statutes 1991 Supplement, section 297A.25, subdivision 12.

The bill was read for the first time and referred to the Committee on Taxes.

Tunheim, Welle, Frerichs, Kinkel and Bauerly introduced:

H. F. No. 1811, A bill for an act relating to education; removing certain restrictions on issuing and selling school loan bonds; amending Minnesota Statutes 1991 Supplement, section 124.479.

The bill was read for the first time and referred to the Committee on Education.

Johnson, R.; Lasley and Bauerly introduced:

H. F. No. 1812, A bill for an act relating to education; authorizing a special transportation levy for independent school district No. 31.

The bill was read for the first time and referred to the Committee on Education.

Waltman introduced:

H. F. No. 1813, A bill for an act relating to cities; Millville and Dover; regulating detached banking facilities.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Frerichs, Omann, Tunheim, Ozment and Tompkins introduced:

H. F. No. 1814, A bill for an act relating to education; deleting a requirement delaying the sale and issuance of certain maximum effort school loan bonds; amending Minnesota Statutes 1991 Supplement, section 124.479.

The bill was read for the first time and referred to the Committee on Education.

## MOTIONS AND RESOLUTIONS

Anderson, R., moved that the name of Swenson be added as an author on H. F. No. 1760. The motion prevailed.

Solberg moved that the name of Limmer be added as an author on H. F. No. 1764. The motion prevailed.

Omann moved that the name of Welker be added as an author on H. F. No. 1770. The motion prevailed.

Haukoos moved that H. F. No. 1782 be returned to its author. The motion prevailed.

## ADJOURNMENT

Welle moved that when the House adjourns today it adjourn until 12:00 noon, Thursday, January 9, 1992. The motion prevailed.

Welle moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 12:00 noon, Thursday, January 9, 1992.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



## STATE OF MINNESOTA

## SEVENTY-SEVENTH SESSION—1992

## SIXTY-SECOND DAY

SAINT PAUL, MINNESOTA, THURSDAY, JANUARY 9, 1992

The House of Representatives convened at 12:00 noon and was called to order by Dee Long, Speaker of the House.

Prayer was offered by Monsignor James D. Habiger, House Chaplain.

The roll was called and the following members were present:

Abrams	Ferichs	Kinkel	Olson, E.	Smith
Anderson, I.	Garcia	Knickerbocker	Olson, K.	Solberg
Anderson, R. H.	Girard	Koppendrayer	Omman	Sparby
Battaglia	Goodno	Krambeer	Onnen	Stanius
Bauerly	Greenfield	Krinkie	Orenstein	Steenasma
Beard	Gruenes	Krueger	Orfield	Sviggum
Begich	Gutknecht	Lasley	Osthoff	Swenson
Bertram	Hanson	Leppik	Ostrom	Thompson
Bettermann	Hartle	Lieder	Ozment	Tompkins
Bishop	Hasskamp	Limmer	Pauly	Trimble
Blatz	Haukoos	Lourey	Pellow	Tunheim
Bodahl	Hausman	Lynch	Pelowski	Uphus
Boo	Heir	Macklin	Peterson	Valento
Brown	Henry	Mariani	Pugh	Vanasek
Carlson	Hufnagle	Marsh	Reding	Vellenga
Carruthers	Hugoson	McEachern	Rest	Wagenius
Clark	Jacobs	McGuire	Rice	Waltman
Cooper	Janezich	McPherson	Rodosovich	Weaver
Dauner	Jaros	Milbert	Rukavina	Wejzman
Davids	Jefferson	Morrison	Runbeck	Welker
Dawkins	Jennings	Munger	Sarna	Welle
Dempsey	Johnson, A.	Murphy	Schafer	Wenzel
Dille	Johnson, R.	Nelson, S.	Schreiber	Winter
Dorn	Johnson, V.	Newinski	Seaberg	Spk. Long
Erhardt	Kahn	O'Connor	Segal	
Farrell	Kalis	Ogren	Simoneau	
Frederick	Kelso	Olsen, S.	Skoglund	

A quorum was present.

Nelson, K., was excused.

Anderson, R., was excused until 12:55 p.m.

The Chief Clerk proceeded to read the Journal of the preceding

day. Skoglund moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

## **REPORTS OF STANDING COMMITTEES**

Simoneau from the Committee on Appropriations to which was referred:

H. F. No. 1740, A bill for an act relating to education; University of Minnesota; appropriating money for the institute of technology and system specials.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

## **SECOND READING OF HOUSE BILLS**

H. F. No. 1740 was read for the second time.

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

The following House Files were introduced:

Runbeck, Thompson, Heir, Bertram and Dille introduced:

H. F. No. 1815, A bill for an act relating to lawful gambling; authorizing expenditure of net gambling profits on noncash awards to organization members and other persons for donations of blood and other community service; amending Minnesota Statutes 1991 Supplement, sections 349.12, subdivision 25; and 349.154, subdivision 2.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Carruthers, Pugh, Macklin, Sparby and Frerichs introduced:

H. F. No. 1816, A bill for an act relating to data practices; regulating access to certain data maintained by credit reporting

agencies; proposing coding for new law as Minnesota Statutes, chapter 13C.

The bill was read for the first time and referred to the Committee on Judiciary.

Farrell, Pugh, Orfield, Carruthers and Weaver introduced:

H. F. No. 1817, A bill for an act relating to commerce; restraint of trade; providing a civil remedy for injury to business reputation or dilution of quality of a mark; providing grounds for injunctive relief; proposing coding for new law in Minnesota Statutes, chapter 325D.

The bill was read for the first time and referred to the Committee on Commerce.

Wenzel introduced:

H. F. No. 1818, A bill for an act relating to local government; authorizing mail balloting for certain municipalities; amending Minnesota Statutes 1990, section 204B.45, subdivisions 1 and 2.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Pugh, Vellenga, Bishop, O'Connor and Greenfield introduced:

H. F. No. 1819, A bill for an act relating to courts; providing for the creation of a board of Minnesota certified shorthand court reporters; proposing coding for new law in Minnesota Statutes, chapter 486.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Swenson introduced:

H. F. No. 1820, A bill for an act relating to the township of New Scandia; authorizing the establishment of a detached banking facility under certain conditions.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Solberg; Anderson, I.; Rukavina; Johnson, V., and Begich introduced:

H. F. No. 1821, A bill for an act relating to education; restoring aid authorization and aid for late activity buses; amending Minnesota Statutes 1991 Supplement, sections 124.223, subdivision 1; 124.225, subdivision 1; and Laws 1991, chapter 265, article 2, section 19, subdivision 2.

The bill was read for the first time and referred to the Committee on Education.

REPORT FROM THE COMMITTEE ON RULES AND  
LEGISLATIVE ADMINISTRATION

Welle, from the Committee on Rules and Legislative Administration, pursuant to rule 1.09, designated the following bills as Special Orders for immediate consideration:

S. F. Nos. 1597 and 1596.

**SPECIAL ORDERS**

CALL OF THE HOUSE

On the motion of Dempsey and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Abrams	Dille	Jaros	Marsh	Pellow
Anderson, I.	Dorn	Jefferson	McEachern	Pelowski
Anderson, R. H.	Erhardt	Jennings	McGuire	Peterson
Battaglia	Farrell	Johnson, A.	McPherson	Pugh
Bauerly	Frederick	Johnson, R.	Milbert	Reding
Beard	Frerichs	Johnson, V.	Morrison	Rest
Begich	Garcia	Kahn	Munger	Rodosovich
Bertram	Girard	Kalis	Murphy	Rukavina
Bettermann	Goodno	Kelso	Nelson, S.	Runbeck
Bishop	Greenfield	Kinkel	Newinski	Sarna
Blatz	Gruenes	Knickerbocker	O'Connor	Schafer
Bodahl	Gutknecht	Koppendrayer	Olson, S.	Schreiber
Boo	Hanson	Krambeer	Olson, E.	Seaberg
Brown	Hartle	Krinkie	Olson, K.	Segal
Carlson	Hasskamp	Krueger	Omman	Simoneau
Carruthers	Haukoos	Lasley	Onnen	Skoglund
Clark	Hausman	Leppik	Orenstein	Smith
Cooper	Heir	Lieder	Orfield	Solberg
Dauner	Henry	Lourey	Osthoff	Sparby
Davids	Hufnagle	Lynch	Ostrom	Stanius
Dawkins	Hugoson	Macklin	Ozment	Steensma
Dempsey	Jacobs	Mariani	Pauly	Sviggum

Swenson  
Thompson  
Tompkins  
Trimble

Tunheim  
Uphus  
Valento  
Vanasek

Vellenga  
Wagenius  
Waltman  
Weaver

Wejzman  
Welker  
Welle  
Wenzel

Winter  
Spk. Long

Welle moved that further proceedings of the roll call be dispensed with and that the Sergeant at Arms be instructed to bring in the absentees. The motion prevailed and it was so ordered.

S. F. No. 1597 was reported to the House.

Knickerbocker moved to amend S. F. No. 1597, as follows:

Delete everything after the enacting clause and insert:

“Section 1. [2.742] [FIRST DISTRICT.]

The first congressional district consists of:

(1) all of Dodge, Fillmore, Freeborn, Goodhue, Houston, Le Sueur, Mower, Olmsted, Rice, Steele, Wabasha, Waseca, and Winona Counties;

(2) that portion of Blue Earth County consisting of Beauford Township, Danville Township, Decoria Township, the city of Eagle Lake, Jamestown Township, Le Ray Township, Lime Township, McPherson Township, the city of Madison Lake, the city of Mankato, Mankato Township, Medo Township, the city of North Mankato, the city of Pemberton, the city of St. Clair, the city of Skyline, and that portion of the city of Mapleton lying north of a line described as follows: commencing at the intersection of the northern boundary of the city of Mapleton and the Chicago, Milwaukee, St. Paul and Pacific railroad tracks, southeasterly along the Chicago, Milwaukee, St. Paul and Pacific railroad tracks to Central Avenue, southerly along Central Avenue to Elm Street, westerly along Elm Street and an extension of Elm Street to the extension of 2nd Avenue West, southerly along the extension and 2nd Avenue West to Silver Street, westerly along Silver Street to 3rd Avenue West, southerly along 3rd Avenue West to Lincoln Street, easterly along Lincoln Street to Central Avenue, northerly along Central Avenue to Lincoln Street, easterly along Lincoln Street to Central Avenue, northerly along Central Avenue to Grove Street, easterly along Grove Street to 4th Avenue, northerly along 4th Avenue to Silver Street, easterly along Silver Street to the Chicago, Milwaukee, St. Paul and Pacific railroad tracks, southeasterly along the Chicago, Milwaukee, St. Paul and Pacific railroad tracks to Troendle Street, easterly along Troendle Street to 6th Avenue, southerly along 6th Avenue and its extension to the Chicago, Milwaukee, St. Paul and Pacific railroad tracks, southeasterly along the Chicago, Milwaukee, St. Paul and Pacific railroad tracks to 8th Avenue, northerly

along 8th Avenue to Silver Street, easterly along Silver Street to the eastern boundary of the city of Mapleton;

(3) that portion of Dakota County not included in the third or fourth congressional district;

(4) that portion of Scott County consisting of Cedar Lake Township, the city of Elko, Helena Township, the city of New Market, New Market Township, the city of New Prague, and that portion of Belle Plaine Township lying east of a line described as follows: commencing at the eastern boundary of Belle Plaine Township and Raven Creek, westerly along Raven Creek to the south fork of Raven Creek, southerly along the south fork of Raven Creek to Church Avenue, southerly along Church Avenue to Raven Creek, southeasterly along Raven Creek to 270th Street West, easterly along 270th Street West to the eastern boundary of Belle Plaine Township, and that portion of Belle Plaine Township lying south of a line commencing at the intersection of the southern boundary of Belle Plaine Township and Church Avenue, northerly along Church Avenue to Raven Creek, southwesterly along Raven Creek to the southern boundary of Belle Plaine Township; and

(5) that portion of Washington County consisting of the city of Hastings.

Sec. 2. [2.752] [SECOND DISTRICT.]

The second congressional district consists of:

(1) all of Big Stone, Brown, Chippewa, Cottonwood, Faribault, Jackson, Lac qui Parle, Lincoln, Lyon, McLeod, Martin, Murray, Nicollet, Nobles, Pipestone, Redwood, Renville, Rock, Sibley, Stevens, Swift, Watonwan, and Yellow Medicine Counties;

(2) that portion of Blue Earth County not included in the first congressional district;

(3) that portion of Carver County consisting of Benton Township, Camden Township, the city of Carver, the city of Chaska, Chaska Township, the city of Cologne, Dahlgren Township, the city of Hamburg, Hancock Township, Hollywood Township, Laketown Township, the city of Mayer, the city of New Germany, the city of Norwood, San Francisco Township, the city of Victoria, the city of Waconia, Waconia Township, the city of Watertown, Watertown Township, the city of Young America, and Young America Township;

(4) that portion of Hennepin County consisting of the city of Rockford;

(5) that portion of Kandiyohi County not included in the seventh congressional district;

(6) that portion of Meeker County not included in the seventh congressional district;

(7) that portion of Sherburne County consisting of the city of Big Lake, Big Lake Township, and the city of Elk River; and

(8) that portion of Wright County not included in the third or seventh congressional district.

Sec. 3. [2.762] [THIRD DISTRICT.]

The third congressional district consists of:

(1) that portion of Carver County not included in the second congressional district;

(2) that portion of Dakota County consisting of the city of Apple Valley, the city of Burnsville, the city of Lakeville, and that portion of the city of Eagan lying south of a line described as follows: commencing at the intersection of the western boundary of the city of Eagan and Diffley Road, easterly along Diffley Road to Nicols Road, northerly along Nicols Road to Cedarvale Boulevard, north-easterly along Cedarvale Boulevard to the extension of Cedarvale Drive, southerly along the extension of Cedarvale Drive to Beau D'Rue Drive, northeasterly along Beau D'Rue Drive to Rahn Road, northwesterly along Rahn Road to Cedarvale Boulevard, northeasterly along Cedarvale Boulevard to Silver Bell Road, easterly along Silver Bell Road to Ballantrae Road, southerly along Ballantrae Road to Gold Trail, easterly along Gold Trail to Serpentine Drive, northerly and easterly along Serpentine Drive to Serpentine Lane, northerly along Serpentine Lane to Silver Bell Road, westerly along Silver Bell Road to Golden Hill Terrace, northeasterly along Golden Hill Terrace to Bluebill Drive, easterly along Bluebill Drive to Blackhawk Road, northerly along Blackhawk Road to Blue Cross Road, northeasterly along Blue Cross Road to Yankee Doodle Road, easterly along Yankee Doodle Road to Donald Avenue, northerly along Donald Avenue to River Bluff Drive, easterly along River Bluff Drive to River Bluff Court, northerly along River Bluff Court and its extension to Letendre Street, easterly along Letendre Street to Coachman Road, southerly along Coachman Road to Yankee Doodle Road, easterly along Yankee Doodle Road to Federal Drive, southerly along Federal Drive to Englert Road, easterly along Englert Road to Pilot Knob Road, southerly along Pilot Knob Road to Wescott Road, easterly along Wescott Road to Dodd Road, northeasterly along Dodd Road to the city boundary of Eagan;

(3) that portion of Hennepin County consisting of the city of

Chanhasen, the city of Corcoran, the city of Deephaven, the city of Eden Prairie, the city of Edina, the city of Excelsior, the city of Greenfield, the city of Greenwood, the city of Hanover, Hassan Township, the city of Hopkins, the city of Independence, the city of Long Lake, the city of Loretto, the city of Maple Plain, the city of Medicine Lake, the city of Medina, the city of Minnetonka, the city of Minnetonka Beach, the city of Minnetrista, the city of Mound, the city of Orono, the city of Plymouth, the city of Rogers, the city of St. Bonifacius, the city of Shorewood, the city of Spring Park, the city of Tonka Bay, the city of Wayzata, the city of Woodland, and that portion of the city of Bloomington lying south of a line described as follows: commencing at the intersection of the northern boundary of the city of Bloomington and Portland Avenue, southerly along Portland Avenue to 84th Street, westerly along 84th Street to 5th Avenue South, southerly along 5th Avenue South to 86th Street, easterly along 86th Street to Portland Avenue, southerly along Portland Avenue to 96th Street, easterly along 96th Street to Oakland Avenue, northerly along Oakland Avenue to 95th Street, easterly along 95th Street to Park Avenue, northerly along Park Avenue to East 93rd Street, easterly along East 93rd Street to Columbus Avenue, southerly along Columbus Avenue to 94th Street, easterly along 94th Street to Chicago Avenue, northerly along Chicago Avenue to 92nd Street, easterly along 92nd Street to Elliot Avenue, southerly along Elliot Avenue to 94th Street, easterly along 94th Street to River View Avenue, southeasterly along River View Avenue to Old Shakopee Road, northeasterly along Old Shakopee Road to Old Cedar Avenue, southerly then southeasterly along Old Cedar Avenue to the boundary of the city of Bloomington;

(4) that portion of Scott County not included in the first congressional district; and

(5) that portion of Wright County consisting of the city of Hanover.

Sec. 4. [2.772] [FOURTH DISTRICT.]

The fourth congressional district consists of:

(1) that portion of Dakota County consisting of the city of Coates, the city of Inver Grove Heights, the city of Lilydale, the city of Mendota, the city of Mendota Heights, Nininger Township, the city of Rosemount, the city of South St. Paul, the city of Sunfish Lake, the city of West St. Paul, and that portion of the city of Eagan not included in the third congressional district;

(2) that portion of Ramsey County consisting of the city of Falcon Heights, the city of Lauderdale, the city of Little Canada, the city of Maplewood, the city of North St. Paul, the city of Roseville, and the city of St. Paul; and



(3) that portion of Washington County consisting of the city of Afton, the city of Cottage Grove, Denmark Township, Grey Cloud Island Township, the city of Lake Elmo, the city of Lakeland, the city of Lakeland Shores, the city of Lake St. Croix Beach, the city of Landfall, the city of Newport, the city of Oakdale, the city of St. Marys Point, the city of St. Paul Park, West Lakeland Township, and the city of Woodbury.

Sec. 5. [2.782] [FIFTH DISTRICT.]

The fifth congressional district consists of:

(1) that portion of Anoka County consisting of the city of Columbia Heights, the city of Fridley, the city of Hilltop, and the city of Spring Lake Park;

(2) that portion of Hennepin County consisting of the unorganized territory of Fort Snelling, the city of Golden Valley, the city of Minneapolis, the city of Richfield, the city of St. Anthony, the city of St. Louis Park, that portion of the city of Bloomington not included in the third congressional district, and that portion of the city of Robbinsdale lying north of a line described as follows: commencing at the southern boundary of the city of Robbinsdale and Quail Avenue, northerly along Quail Avenue to 39th Avenue East, easterly along 39th Avenue East to Noble Avenue, northerly along Noble Avenue to 39-1/2 Avenue East, easterly and northeasterly along 39-1/2 Avenue East to Hubbard Avenue, northwesterly along Hubbard Avenue to 41st Street, northeasterly along 41st Street to Lakeland Avenue, southeasterly along Lakeland Avenue to 40th Avenue North, northeasterly then southeasterly along 40th Avenue North to the eastern boundary of the city of Robbinsdale; and

(3) that portion of Ramsey County consisting of the city of Spring Lake Park.

Sec. 6. [2.792] [SIXTH DISTRICT.]

The sixth congressional district consists of:

(1) that portion of Anoka County not included in the fifth or eighth congressional district;

(2) that portion of Hennepin County not included in the second, third, or fifth congressional district;

(3) that portion of Ramsey County not included in the fourth or fifth congressional district; and

(4) that portion of Washington County not included in the first or fourth congressional district.

## Sec. 7. [2.802] [SEVENTH DISTRICT.]

The seventh congressional district consists of:

(1) all of Becker, Beltrami, Clay, Clearwater, Douglas, Grant, Hubbard, Kittson, Lake of the Woods, Mahnomen, Marshall, Norman, Otter Tail, Pennington, Polk, Pope, Red Lake, Roseau, Stearns, Todd, Traverse, Wadena, and Wilkin Counties;

(2) that portion of Benton County consisting of Minden Township, the city of St. Cloud, the city of Sartell, the city of Sauk Rapids, and Sauk Rapids Township;

(3) that portion of Cass County consisting of Ansel Township, Barclay Township, Becker Township, Bull Moose Township, Bungo Township, Byron Township, the city of Chickamaw Beach, the city of East Gull Lake, Fairview Township, Home Brook Township, the city of Lake Shore, Loon Lake Township, McKinley Township, Maple Township, May Township, Meadow Brook Township, Moose Lake Township, the city of Motley, the city of Pillager, the city of Pine River, Pine River Township, Poplar Township, Sylvan Township, Walden Township, and Wilson Township;

(4) that portion of Kandiyohi County consisting of Burbank Township, the city of Regal, and Roseville Township;

(5) that portion of Meeker County consisting of the city of Eden Valley;

(6) that portion of Morrison County consisting of the city of Bowlus, Culdrum Township, Cushing Township, Darling Township, the city of Elmdale, Elmdale Township, the city of Flensburg, Green Prairie Township, the city of Motley, Motley Township, Parker Township, Pike Creek Township, Rail Prairie Township, the city of Randall, Rosing Township, Scandia Valley Township, the city of Sobieski, Swan River Township, the city of Swanville, Swanville Township, Two Rivers Township, the city of Upsala, and that portion of the city of Little Falls lying north of a line described as follows: commencing at the intersection of the western boundary of the city of Little Falls and the Burlington Northern Railroad right-of-way, northeasterly along the Burlington Northern Railroad right-of-way to 8th Street Northwest, southerly along 8th Street Northwest to 3rd Avenue Northwest, easterly along 3rd Avenue Northwest to 5th Street Northwest, southerly along 5th Street Northwest to 2nd Avenue Northwest, easterly along 2nd Avenue Northwest to 4th Street Northwest, northerly along 4th Street Northwest to 3rd Avenue Northwest, easterly along 3rd Avenue Northwest to 2nd Street Northwest, northerly along 2nd Street Northwest to the Burlington Northern Railroad right-of-way, southeasterly along the Burlington Northern Railroad right-of-way to the Burlington Northern Railroad main line, northerly along the Bur-

lington Northern Railroad main line to the first Burlington Northern Railroad spur running in a northeasterly direction, northeasterly then southeasterly along the first Burlington Northern Railroad spur to the eastern bank of the Mississippi River, northerly along the eastern bank of the Mississippi River to the northern boundary of the city of Little Falls;

(7) that portion of Sherburne County consisting of Haven Township and the city of St. Cloud; and

(8) that portion of Wright County consisting of the city of South Haven, Southside Township, and that portion of the city of Annandale lying north of a line described as follows: commencing at the intersection of the western boundary of the city of Annandale and U.S. Highway 24, southeasterly along U.S. Highway 24 to Excelsior Avenue North, northerly along Excelsior Avenue North to the northern boundary of the city of Annandale.

Sec. 8. [2.812] [EIGHTH DISTRICT.]

The eighth congressional district consists of:

(1) all of Aitkin, Carlton, Chisago, Cook, Crow Wing, Isanti, Itasca, Kanabec, Koochiching, Lake, Mille Lacs, Pine, and St. Louis Counties;

(2) that portion of Anoka County consisting of the city of Bethel, Burns Township, the city of East Bethel, Linwood Township, Oak Grove Township, and the city of St. Francis;

(3) that portion of Benton County not included in the seventh congressional district;

(4) that portion of Cass County not included in the seventh congressional district;

(5) that portion of Morrison County not included in the seventh congressional district; and

(6) that portion of Sherburne County not included in the second or seventh congressional district.

Sec. 9. [2.822] [CONTROLLING DESCRIPTION.]

If a territory in this state is not named in sections 1 to 8, but (1) lies within the boundaries of a congressional district, or (2) lies between the boundaries of two or more congressional districts, for the purposes of sections 1 to 8, the territory referred to in clause (1) is a part of the congressional district within which it lies, and the

territory referred to in clause (2) is a part of the contiguous congressional district having the smallest population.

If a territory in this state is within the boundaries of two or more congressional districts, for the purposes of sections 1 to 8, the territory is a part of the contiguous congressional district having the smallest population.

Sec. 10. [REPEALER.]

Minnesota Statutes 1990, sections 2.741; 2.751; 2.761; 2.771; 2.781; 2.791; 2.801; and 2.811, are repealed.

Sec. 11. [EFFECTIVE DATE.]

This act is effective for the state primary election in 1992 and thereafter.

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Knickerbocker amendment and the roll was called.

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

There were 55 yeas and 73 nays as follows:

Those who voted in the affirmative were:

Abrams	Frerichs	Johnson, V.	Newinski	Seaberg
Anderson, R. H.	Girard	Knickerbocker	O'Connor	Smith
Bettermann	Goodno	Koppendraye	Olsen, S.	Stanius
Bishop	Gruenes	Krambeer	Omann	Sviggum
Blatz	Gutknecht	Krinkie	Onnen	Swenson
Boo	Hartle	Leppik	Ozment	Tompkins
Davids	Haukoos	Lynch	Pauly	Uphus
Dempsey	Heir	Macklin	Pellow	Valento
Dille	Henry	Marsh	Runbeck	Waltman
Erhardt	Hufnagle	McPherson	Schafer	Weaver
Frederick	Hugoson	Morrison	Schreiber	Welker

Those who voted in the negative were:

Anderson, I.	Brown	Dorn	Jacobs	Kalis
Battaglia	Carlson	Farrell	Jaros	Kelso
Bauerly	Carruthers	Garcia	Jefferson	Kinkel
Beard	Clark	Greenfield	Jennings	Krueger
Begich	Cooper	Hanson	Johnson, A.	Lasley
Bertram	Dauner	Hasskamp	Johnson, R.	Lieder
Bodahl	Dawkins	Hausman	Kahn	Lourey

Mariani	Olson, K.	Reding	Solberg	Wagenius
McEachern	Orenstein	Rest	Sparby	Wejcman
McGuire	Orfield	Rice	Steensma	Welle
Milbert	Osthoff	Rodosovich	Thompson	Wenzel
Munger	Ostrom	Sarna	Trimble	Winter
Murphy	Pelowski	Segal	Tunheim	Spk. Long
Nelson, S.	Peterson	Simoneau	Vanasek	
Olson, E.	Pugh	Skoglund	Vellenga	

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

S. F. No. 1597, A bill for an act relating to elections; changing the boundaries of congressional districts; proposing coding for new law in Minnesota Statutes, chapter 2; repealing Minnesota Statutes 1990, sections 2.741; 2.751; 2.761; 2.771; 2.781; 2.791; 2.801; and 2.811.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called.

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

There were 77 yeas and 55 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Garcia	Krueger	Orfield	Sparby
Battaglia	Greenfield	Lasley	Osthoff	Steensma
Bauerly	Hanson	Lieder	Ostrom	Thompson
Beard	Hasskamp	Lourey	Pelowski	Trimble
Begich	Hausman	Mariani	Peterson	Tunheim
Bertram	Jacobs	McEachern	Pugh	Vanasek
Bodahl	Janezich	McGuire	Reding	Vellenga
Brown	Jaros	Milbert	Rest	Wagenius
Carlson	Jefferson	Munger	Rice	Wejcman
Carruthers	Jennings	Murphy	Rodosovich	Welle
Clark	Johnson, A.	Nelson, S.	Rukavina	Wenzel
Cooper	Johnson, R.	O'Connor	Sarna	Winter
Dauner	Kahn	Ogren	Segal	Spk. Long
Dawkins	Kalis	Olson, E.	Simoneau	
Dorn	Kelso	Olson, K.	Skoglund	
Farrell	Kinkel	Orenstein	Solberg	

Those who voted in the negative were:

Abrams	Dempsey	Gruenes	Hugoson	Limmer
Anderson, R. H.	Dille	Gutknecht	Johnson, V.	Lynch
Bettermann	Erhardt	Hartle	Knickerbocker	Macklin
Bishop	Frederick	Haukoos	Koppendrayner	Marsh
Blatz	Frerichs	Heir	Krambeer	McPherson
Boo	Girard	Henry	Krinkie	Morrison
Davids	Goodno	Hufnagle	Leppik	Newinski

Olsen, S.	Pauly	Schreiber	Svigum	Valento
Omann	Pellow	Seaberg	Swenson	Waltman
Onnen	Runbeck	Smith	Tompkins	Weaver
Ozment	Schafer	Stanius	Uphus	Welker

The bill was passed and its title agreed to.

S. F. No. 1596 was reported to the House.

Knickerbocker moved to amend S. F. No. 1596, as follows:

Delete everything after the enacting clause and insert:

“Section 1. Laws 1991, chapter 246, section 1, is amended to read:

Section 1. Minnesota Statutes 1990, section 2.031, subdivision 2, is amended to read:

Subd. 2. [DEFINITION.] The terms “county,” “town,” “township,” “city,” “ward,” “precinct,” “census tract,” “block,” and “unorganized territory” when used in a description of a legislative district in Laws 1991, chapter 246, sections 2 to 68 mean a geographical area established as such by law and as it existed for purposes of the 1990 federal census.

Sec. 2. [2.044] [FIRST DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 1 consists of all of Kittson, Marshall, Norman, and Roseau Counties and that portion of Polk County consisting of Andover Township, Angus Township, the city of Beltrami, Brandt Township, Brislet Township, Bygland Township, the city of Climax, the city of Crookston, Crookston Township, the city of East Grand Forks, Esther Township, Euclid Township, Fairfax Township, Fanny Township, Farley Township, the city of Fertile, the city of Fisher, Fisher Township, Garden Township, Garfield Township, Gentilly Township, Godfrey Township, Grand Forks Township, Grove Park Township, Hammond Township, Helgeland Township, Higdem Township, Hubbard Township, Huntsville Township, Kertsonville Township, Keystone Township, Liberty Township, Lowell Township, the city of Mentor, Nesbit Township, the city of Nielsville, Northland Township, Onstad Township, Parnell Township, Reis Township, Rhinehart Township, Roome Township, Russia Township, Sandsville Township, Scandia Township, Sullivan Township, Tabor Township, Tilden Township, Tynsid Township, Vineland Township, and Woodside Township.

Subd. 2. [HOUSE DISTRICTS.] Senate district 1 is divided into two house districts as follows:

(a) House district 1A consists of all of Kittson, Marshall, and Roseau Counties and that portion of Polk County consisting of Angus Township, Brandt Township, Brislet Township, Esther Township, Farley Township, Helgeland Township, Higdem Township, Northland Township, Sandsville Township, and Tabor Township.

(b) House district 1B consists of that portion of senate district 1 not included in house district 1A.

Sec. 3. [2.054] [SECOND DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 2 consists of all of Koochiching and Lake of the Woods Counties; that portion of Beltrami County consisting of Battle Township, Benville Township, Cormant Township, the city of Funkley, Hamre Township, Hornet Township, the city of Kelliher, Kelliher Township, Langor Township, Lee Township, Minnie Township, the unorganized territory of North Beltrami, O'Brien Township, Quiring Township, Shooks Township, Shotley Township, the unorganized territory of Shotley Brook, Spruce Grove Township, Steenerson Township, Waskish Township, Woodrow Township; and that portion of Cass County consisting of Boy Lake Township, the unorganized territory of East Cass, Inguadona Township, Kego Township, Lima Township, the city of Longville, the unorganized territory of North Central Cass, Otter Tail Peninsula Township, Pine Lake Township, the city of Remer, Remer Township, Rogers Township, Salem Township, Slater Township, Torrey Township, Turle Lake Township, and Wahnena Township, and all of Itasca County except for the unorganized territory of Bowstring Lake.

Subd. 2. [HOUSE DISTRICTS.] Senate district 2 is divided into two house districts as follows:

(a) House district 2A consists of that portion of Senate district 2 not included in House district 2B.

(b) House district 2B consists of that portion of Itasca County consisting of: Arbo Township, Bass Brook Township, Blackberry Township, the city of Bovey, the city of Coleraine, the unorganized territory of Deer Lake, Feeley Township, Goodland Township, Grand Rapids Township, the city of Grand Rapids, Greenway Township, Harris Township, Iron Range Township, Lawrence Township, the unorganized territory of Little Sand Lake, Lone Pine Township, Morse Township, Sago Township, Spang Township, Splithand Township, Trout Lake Township, Wabana Township, the city of Warba, Wawina Township, and Wildwood Township.

Sec. 4. [2.064] [THIRD DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 3 consists of all of Cook and Lake Counties and that portion of St. Louis County consisting of Alango Township, Angora Township, the city of Babbitt, Balkan Township, Beatty Township, the unorganized territory of Birch Lake, the city of Biwabik, Breitung Township, the city of Buhl, the city of Chisholm, the city of Cook, the city of Ely, Embarrass Township, Field Township, French Township, the unorganized territory of Gheen, Great Scott Township, Greenwood Township, the unorganized territory of Hay Lake, the city of Hibbing, the city of Hoyt Lakes, Kugler Township, the unorganized territory of Lake Vermilion, Leiding Township, Linden Grove Township, the unorganized territory of McCormack Lake, Morcom Township, Morse Township, the unorganized territory of Northeast St. Louis, the unorganized territory of Northwest St. Louis, the city of Orr, Owens Township, Pike Township, Portage Township, the unorganized territory of Sand Lake, Sturgeon Township, the city of Tower, Vermilion Lake Township, Waasa Township, White Township, Willow Valley Township, and the city of Winton.

Subd. 2. [HOUSE DISTRICTS.] Senate district 3 is divided into two house districts as follows:

(a) House district 3A consists of that portion of senate district 3 not included in house district 3B.

(b) House district 3B consists of all of Cook and Lake Counties and that portion of St. Louis County consisting of the city of Babbitt, the unorganized territory of Birch Lake, the city of Biwabik, Breitung Township, the city of Ely, Embarrass Township, the unorganized territory of Hay Lake, the city of Hoyt Lakes, Kugler Township, Morse Township, the unorganized territory of Northeast St. Louis, Pike Township, the city of Tower, Vermilion Lake Township, Waasa Township, White Township, and the city of Winton.

Sec. 5. [2.074] [FOURTH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 4 consists of all of Clearwater, Pennington, and Red Lake Counties; that portion of Becker County not included in senate district 8 or 10; that portion of Beltrami County not included in senate district 2 or 9; that portion of Cass County consisting of the city of Bena, the city of Boy River, Boy River Township, the city of Cass Lake, the city of Federal Dam, Gould Township, the unorganized territory of North Cass, and Pike Bay Township; that portion of Hubbard County consisting of Clover Township, Fern Township, Lake Alice Township, Lake George Township, Lake Hattie Township, Rockwood Township, Schoolcraft Township, and Straight River Township; that portion of Itasca County consisting of the unorganized territory of Bowstring Lake; that portion of Mahnomen County not included in senate district 8; and that portion of Polk County not included in senate district 1.



Subd. 2. [HOUSE DISTRICTS.] Senate district 4 is divided into two house districts as follows:

(a) House district 4A consists of all of Pennington and Red Lake Counties; that portion of Clearwater County consisting of the city of Bagley, the city of Clearbrook, Copley Township, Eddy Township, Falk Township, the city of Gonvick, Greenwood Township, Hangaard Township, Holst Township, Leon Township, Pine Lake Township, Popple Township, and Winsor Township; that portion of Mahnomen County consisting of Beaulieu Township, the city of Bejou, Bejou Township, Chief Township, Clover Township, Gregory Township, Heier Township, Island Lake Township, La Garde Township, the city of Mahnomen, Marsh Creek Township, Pembina Township, and Rosedale Township; and that portion of Polk County in senate district 4.

(b) House district 4B consists of that portion of senate district 4 not included in house district 4A.

Sec. 6. [2.084] [FIFTH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 5 consists of that portion of Aitkin County consisting of Ball Bluff Township, Balsam Township, Clark Township, Cornish Township, Haugen Township, the city of Hill City, Hill Lake Township, Jevne Township, Libby Township, Logan Township, the city of McGregor, McGregor Township, Macville Township, the unorganized territory of Northeast Aitkin, the unorganized territory of Northwest Aitkin, the city of Palisade, Shamrock Township, the city of Tamarack, Turner Township, Verdon Township, Waukenabo Township, Workman Township; that portion of Carlton County consisting of Beseman Township, Eagle Township, Lakeview Township, and the city of Wright; that portion of Cass County consisting of Beulah Township, Crooked Lake Township, Smoky Hollow Township, Thunder Lake Township, and Trelipe Township; that portion of Crow Wing County consisting of the city of Brainerd, the city of Breezy Point, Center Township, the city of Crosby, the city of Crosslake, Dean Lake Township, the city of Emily, Fairfield Township, the city of Fifty Lakes, the city of Ironton, Lake Edwards Township, Little Pine Township, the city of Manhattan Beach, Mission Township, Pelican Township, Perry Lake Township, Ross Lake Township, the city of Trommald, the unorganized territory of West Crow Wing, and Wolford Township; and that portion of St. Louis County not included in senate district 3, 6, or 7.

Subd. 2. [HOUSE DISTRICTS.] Senate district 5 is divided into two house districts as follows:

(a) House district 5A consists of those portions of Aitkin, Carlton, Cass, and Crow Wing Counties in senate district 5 and that portion of St. Louis County consisting of: Fine Lakes Township, the city of

Floodwood, Floodwood Township, Halden Township, and Prairie Lake Township.

(b) House district 5B consists of that portion of senate district 5 not included in house district 5A.

Sec. 7. [2.094] [SIXTH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 6 consists of that portion of St. Louis County consisting of Alden Township, Canosia Township, Duluth Township, Freedenberg Township, Gnesen Township, Grand Lake Township, Hermantown Township, Lakewood Township, Normanna Township, North Star Township, Rice Lake Township, Lake Superior Township, and that portion of the city of Duluth lying north of a line described as follows: commencing at the intersection of the western boundary of the city of Duluth and Morris Thomas Road, easterly along Morris Thomas Road to Hutchinson Road, southeasterly along Hutchinson Road to Adirondack Street, northeasterly along Adirondack Street to Hillcrest Drive, northerly along Hillcrest Drive to Catskill Street, easterly along Catskill Street to Springvale Road, northerly then westerly along Springvale Road to North 22nd Avenue West, northerly along North 22nd Avenue West to Leonard Street, westerly along Leonard Street to Chambersburg Avenue, northerly along Chambersburg Avenue to Erickson Road, easterly along Erickson Road to Miller Creek, northerly along Miller Creek to Anderson Road, easterly then northerly along Anderson Road to West Orange Street, easterly along West Orange Street to South Hugo Avenue, southerly along South Hugo Avenue to West Quince Street, easterly along West Quince Street to Kissel Avenue, northeasterly along Kissel Avenue to East Orange Street, southeasterly along East Orange Street to West 15th Street, southeasterly along West 15th Street to South Blackman Avenue, northerly along South Blackman Avenue to the extension of Central High Drive, easterly along the extension of Central High Drive to Central High Drive, easterly then northerly then westerly along Central High Drive to Pecan Avenue, northerly along Pecan Avenue to Rice Lake Road, southeasterly along Rice Lake Road to Mesaba Avenue, southerly along Mesaba Avenue to East 13th Street, northeasterly along East 13th Street to Martha Street, easterly along Martha Street to North 11th Avenue East, southeasterly along North 11th Avenue East to East 11th Street, northeasterly along East 11th Street to Parkland Avenue, southerly along Parkland Avenue to East 10th Street, southwestery along East 10th Street to North 14th Avenue East, southeasterly along North 14th Avenue East to East 9th Street, northeasterly along East 9th Street to North 15th Avenue East, southeasterly along North 15th Avenue East to the extension of East 7th Street, southwestery along East 7th Street to Chester Creek, southeasterly along Chester Creek to East 1st Street, southwestery along East 1st Street to North 12th Avenue East, southeasterly along North 12th Avenue East to London Road,

northeasterly along London Road to South 13th Avenue East, southeasterly along South 13th Avenue East and its extension to the shoreline of Lake Superior.

Subd. 2. [HOUSE DISTRICTS.] Senate district 6 is divided into two house districts as follows:

(a) House district 6A consists of that portion of senate district 6 not included in house district 6B.

(b) House district 6B consists of that portion of St. Louis County consisting of that portion of the city of Duluth in senate district 6 lying east of a line described as follows: commencing at the intersection of the northern boundary of the city of Duluth and Howard Gnesen Road, southerly along Howard Gnesen Road to South Road, easterly along South Road to Kenwood Avenue, southerly along Kenwood Avenue to East Maryland Street, easterly along East Maryland Street to Dodge Avenue, southerly along Dodge Avenue to West Arrowhead Road, westerly along West Arrowhead Road to Kenwood Avenue, southerly along Kenwood Avenue to the southern boundary of senate district 6.

Sec. 8. [2.104] [SEVENTH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 7 consists of that portion of Carlton County consisting of the city of Carlton, the city of Cloquet, the city of Scanlon, the city of Thomson, and Thomson Township; and that portion of St. Louis County consisting of Brevator Township, that portion of the city of Duluth not included in senate district 6, Midway Township, the city of Proctor, Solway Township, and Stoney Brook Township.

Subd. 2. [HOUSE DISTRICTS.] Senate district 7 is divided into two house districts as follows:

(a) House district 7A consists of that portion of senate district 7 not included in house district 7B.

(b) House district 7B consists of that portion of St. Louis County consisting of that portion of the city of Duluth lying south and east of a line described as follows: commencing at the intersection of North 11th Avenue East and East 11th Street, southeasterly along North 11th Avenue East to East 6th Street, southwesterly along East 6th Street to North 6th Avenue East, northwesterly along North 6th Avenue East to East 8th Street, southwesterly along East 8th Street to Mesaba Avenue, southerly along Mesaba Avenue to North Lake Avenue, northwesterly along North Lake Avenue to West 9th Street, southwesterly along West 9th Street to the extension of North 1st Avenue West, northwesterly along the extension of North 1st Avenue West to West 10th Street, southwesterly along

West 10th Street to North 2nd Avenue West, southeasterly along North 2nd Avenue West to West Skyline Parkway, southerly along West Skyline Parkway to North 11th Avenue West, southeasterly along North 11th Avenue West to West 5th Street, southwesterly along West 5th Street to North 12th Avenue West, southeasterly along North 12th Avenue West to West 4th Street, southwesterly along West 4th Street to North 13th Avenue West, southeasterly along North 13th Avenue West to West 3rd Street, southwesterly along West 3rd Street to North 17-1/2 Avenue West, northwesterly along North 17-1/2 Avenue West to West 4th Street, southwesterly along West 4th Street to an extension of North 19th Avenue West, northwesterly along an extension of North 19th Avenue West to West 5th Street, southwesterly along West 5th Street to North 21st Avenue West, northwesterly along North 21st Avenue West to Piedmont Avenue, westerly along Piedmont Avenue to North 22nd Avenue West, southeasterly along North 22nd Avenue West to West 8th Street, southwesterly along West 8th Street to North 24th Avenue West, northwesterly along North 24th Avenue West to West 10th Street, southerly along West 10th Street to North 27th Avenue West, southeasterly along North 27th Avenue West to Winnipeg Avenue, southerly along Winnipeg Avenue to Devonshire Street, westerly along Devonshire Street to Pacific Avenue, southerly along Pacific Avenue to Chestnut Street, westerly along Chestnut Street to Elm Street, southwesterly along Elm Street to the Duluth, Missabe, and Iron Range Railroad tracks, westerly along the Duluth, Missabe, and Iron Range Railroad tracks to the western boundary of the city of Duluth.

Sec. 9. [2.114] [EIGHTH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 8 consists of all of Clay and Wilkin Counties and that portion of Becker County consisting of Atlanta Township, the city of Audubon, Audubon Township, Cormorant Township, Cuba Township, Detroit Township, Hamden Township, the city of Lake Park, Lake Park Township, the city of Ogema, Riceville Township, Richwood Township, Spring Creek Township, and Walworth Township.

Subd. 2. [HOUSE DISTRICTS.] Senate district 8 is divided into two house districts as follows:

(a) House district 8A consists of the city of Moorhead and all of Moorhead Township except that portion lying north and east of a line described as follows: commencing at the intersection of the northern boundary of Moorhead Township and County Highway 90, southerly along County Highway 90 to U.S. Highway 10, easterly along U.S. Highway 10 to the eastern boundary of Moorhead Township.

(b) House district 8B consist that portion of senate district 8 not included in house district 8A.

## Sec. 10. [2.124] [NINTH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 9 consists of that portion of Beltrami County consisting of the city of Bemidji, Bemidji Township, Frohn Township, Ten Lake Township and that portion of Northern Township not included in senate district 4; that portion of Cass County not included in senate district 2, 4, or 5; that portion of Crow Wing County consisting of the city of Baxter, Gail Lake Township, Ideal Township, the city of Jenkins, Jenkins Township, the city of Nisswa, the city of Pequot Lakes, Sibley Township, Timothy Township; that portion of Hubbard County not included in senate district 4; that portion of Morrison County consisting of the city of Motley; and all of Wadena County except that portion included in senate district 13.

Subd. 2. [HOUSE DISTRICTS.] Senate district 9 is divided into two house districts as follows:

(a) House district 9A consists of those portions of Beltrami and Hubbard Counties included in senate district 9 and that portion of Cass County consisting of Birch Lake Township, the city of Hacksack, Hiram Township, Leech Lake Township, Shingobee Township, the city of Walker, and Wilkinson Township.

(b) House district 9B consists of that portion of senate district 9 not included in house district 9A.

## Sec. 11. [2.134] [TENTH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 10 consists of all of Otter Tail County and that portion of Becker County consisting of Burlington Township, the city of Detroit Lakes, Erie Township, Evergreen Township, the city of Frazee, Lake Eunice Township, Lake View Township, Runeberg Township, Silverleaf Township, Spruce Grove Township, and the city of Wolf Lake.

Subd. 2. [HOUSE DISTRICTS.] Senate district 10 is divided into two house districts as follows:

(a) House district 10A consists of that portion of senate district 10 not included in house district 10B.

(b) House district 10B consists of that portion of Becker County included in senate district 10 and that portion of Otter Tail County consisting of Blowers Township, Bluffton Township, Butler Township, Candor Township, Corliss Township, Dead Lake Township, the city of Dent, Dora Township, Dunn Township, Edna Township, the city of Erhard, Erhards Grove Township, Gorman Township, Hobart Township, Homestead Township, Lida Township, Maplewood Township, Newton Township, the city of New York Mills, Norwegian

Grove Township, Otto Township, Paddock Township, Pelican Township, the city of Pelican Rapids, the city of Perham, Perham Township, Pine Lake Township, the city of Richville, the city of Rothsay, Rush Lake Township, Scambler Township, Star Lake Township, Trondhjem Township, and the city of Vergas.

Sec. 12. [2.144] [ELEVENTH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 11 consists of that portion of Aitkin County not included in senate district 5; that portion of Benton County consisting of Alberta Township, the city of Foley, the city of Gilman, Gilmanton Township, Glendorado Township, Graham Township, Granite Ledge Township, Mayhew Lake Township, Maywood Township, Minden Township, the city of Ronneby, and St. George Township; that portion of Carlton County consisting of Automba Township and Split Rock Township; that portion of Crow Wing County not included in senate district 5 or 9; that portion of Morrison County consisting of Agram Township, Belle Prairie Township, Bellevue Township, the city of Buckman, Buckman Township, Buh Township, the city of Genola, Granite Township, Green Prairie Township, the city of Harding, the city of Hillman, Hillman Township, Lakin Township, the city of Lastrup, Leigh Township, the city of Little Falls, Little Falls Township, Morrill Township, Mount Morris Township, the city of Pierz, Pierz Township, Platte Township, Pulaski Township, Richardson Township, Ripley Township, and the city of Royalton; that portion of Sherburne County consisting of those portions of Becker, Haven, Palmer, and Santiago Townships lying north of a line described as follows: commencing at the intersection of the western boundary of Sherburne County and the extension of 42nd Street, easterly along the extension of 42nd Street and 42nd Street to County Highway 65, easterly along County Highway 65 to the Burlington Northern Railroad tracks, southeasterly along the Burlington Northern Railroad tracks to 45th Avenue, northerly along 45th Avenue to U.S. Highway 52, southeasterly along U.S. Highway 52 to 47th Street, easterly along 47th Street to 75th Avenue, northerly along 75th Avenue to 40th Street, easterly along 40th Street to 90th Avenue, southerly along 90th Avenue to the extension of 40th Street, easterly along the extension of 40th Street to 95th Avenue, southerly along 95th Avenue to 42nd Street, easterly along 42nd Street to 109th Avenue, southwesterly along 109th Avenue to 44th Street, southeasterly along 44th Street and the extension of 44th Street to the shore of Lake Briggs, northerly, easterly, and southerly along the northern and eastern shores of Lake Briggs to an extension of 55th Street, southwesterly along the extension and 55th Street to 106th Avenue, southerly and easterly along 106th Avenue to County Highway 16, easterly along County Highway 16 to 115th Avenue Southeast, southerly along 115th Avenue Southeast to the western boundary of Becker Township, southerly along the western boundary of Becker Township to U.S. Highway 10, southeasterly along U.S. Highway 10 to 125th Avenue Southeast, southerly along

125th Avenue Southeast to the boundary of the city of Becker, easterly along the northern and eastern boundaries of the city of Becker and along the western and northern boundaries of Big Lake Township to the eastern boundary of Becker Township, and northerly along the eastern boundaries of Becker Township and Santiago Township to the boundary of Sherburne County; and that portion of the city of St. Cloud lying south of a line described as follows: commencing at the western boundary of Sherburne County and Michigan Avenue Southeast, easterly along Michigan Avenue Southeast to Kilian Boulevard Southeast, southerly along Kilian Boulevard Southeast to Minnesota Boulevard easterly along Minnesota Boulevard to 15th Avenue Southeast, northerly along 15th Avenue Southeast to 16th Street Southeast, easterly along 16th Street Southeast to 16th Avenue Southeast, northerly along 16th Avenue Southeast to Michigan Avenue Southeast, easterly and northerly along Michigan Avenue Southeast and the extension of Michigan Avenue Southeast to the Burlington Northern Railroad tracks, northwesterly along the Burlington Northern Railroad tracks to the boundary of the city of St. Cloud, and that portion of Stearns County lying within a line described as follows: commencing at the intersection of the eastern boundary of Stearns County and the extension of 4th Street South, westerly along the extension of 4th Street South and 4th Street South to East Lake Boulevard, northerly along East Lake Boulevard to West Lake Boulevard, westerly along West Lake Boulevard to 2nd Street South, southwesterly along 2nd Street South to 14th Avenue South, southerly along 14th Avenue South to Second Street South, westerly along Second Street South to 15th Avenue South, southerly along 15th Avenue South to 11th Street South, easterly along 11th Street South to 12th Avenue South, southerly along 12th Avenue South to 12th Street South, easterly along 12th Street South to 11th Avenue South, southerly along 11th Avenue South to 22nd Street South, easterly along 22nd Street South to the southern boundary of the city of St. Cloud, easterly and northerly along the southern boundary of the city of St. Cloud to the boundary of Stearns County, northerly along the boundary of Stearns County to the point of origin.

Subd. 2. [HOUSE DISTRICTS.] Senate district 11 is divided into two house districts as follows:

(a) House district 11A consists of those portions of Aitkin, Carlton, and Crow Wing Counties included in senate district 11, and that portion of Morrison County consisting of Belle Prairie Township, Buh Township, Granite Township, Green Prairie Township, the city of Harding, the city of Hillman, the city of Lastrup, Leigh Township, the city of Little Falls, Little Falls Township, Platte Township, Pulaski Township, Richardson Township, and Ripley Township.

(b) House district 11B consists of that portion of senate district 11 not included in house district 11A.

Sec. 13. [2.154] [TWELFTH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 12 consists of all of Kanabec and Pine Counties; that portion of Aitkin County consisting of Idun Township, the city of McGrath, Wagner Township, and Williams Township; that portion of Carlton County not included in senate district 5, 7, or 11; that portion of Isanti County consisting of the city of Braham, the city of Cambridge, Cambridge Township, Isanti Township, Maple Ridge Township, Springvale Township, and Stanchfield Township; and that portion of Mille Lacs County not included in senate district 19.

Subd. 2. [HOUSE DISTRICTS.] Senate district 12 is divided into two house districts as follows:

(a) House district 12A consists of all of Pine County and that portion of Carlton County included in senate district 12.

(b) House district 12B consists of all of senate district 12 not included in house district 12A.

Sec. 14. [2.164] [THIRTEENTH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 13 consists of that portion of Benton County consisting of Langola Township and the city of Rice; that portion of Morrison County consisting of the city of Bowlus, Culdrum Township, Cushing Township, Darling Township, the city of Elmdale, Elmdale Township, the city of Flensburg, Motley Township, Parker Township, Pike Creek Township, Rail Prairie Township, the city of Randall, Rosing Township, Scandia Valley Township, the city of Sobieski, Swan River Township, the city of Swanville, Swanville Township, Two Rivers Township, and the city of Upsala; that portion of Stearns County consisting of the city of Albany, Albany Township, the city of Avon, Avon Township, Brockway Township, Collegeville Township, Farming Township, the city of Freeport, Holding Township, the city of Holdingford, Krain Township, Le Sauk Township, Millwood Township, the city of New Munich, Oak Township, the city of Pleasant Lake, the city of St. Anthony, the city of St. Joseph, St. Joseph Township, St. Martin Township, the city of St. Rosa, the city of St. Stephen, St. Wendel Township, and the city of Sartell; that portion of Todd County not included in senate district 14; and that portion of Wadena County consisting of the city of Staples, and that portion of Thomastown Township entirely surrounded by the city of Staples.

Subd. 2. [HOUSE DISTRICTS.] Senate district 13 is divided into two house districts as follows:

(a) House district 13A consists of those portions of Morrison, Todd, and Wadena Counties included in senate district 13.



(b) House district 13B consists of that portion of senate district 13 not included in house district 13A.

Sec. 15. [2.174] [FOURTEENTH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 14 consists of all of Big Stone, Douglas, Grant, Stevens, and Traverse Counties, and that portion of Swift County not included in senate district 15.

Subd. 2. [HOUSE DISTRICTS.] Senate district 14 is divided into two house districts as follows:

(a) House district 14A consists of all of Douglas County and that portion of Grant County consisting of the city of Ashby, the city of Barrett, the city of Elbow Lake, Elk Lake Township, Erdahl Township, the city of Hoffman, Land Township, Pelican Lake Township, Pomme de Terre Township, and Sanford Township.

(b) House district 14B consists of that portion of senate district 14 not included in house district 14A.

Sec. 16. [2.184] [FIFTEENTH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 15 consists of all of Pope County; that portion of Swift County consisting of Hayes Township, the city of Kerkhoven, Kerkhoven Township, and Pillsbury Township; that portion of Kandiyohi County not included in senate district 21; and that portion of Stearns County consisting of Ashley Township, the city of Belgrade, the city of Brooten, Crow Lake Township, Crow River Township, Eden Lake Township, the city of Eden Valley, the city of Elrosa, Getty Township, the city of Greenwald, Grove Township, Lake George Township, the city of Lake Henry, Lake Henry Township, the city of Meire Grove, the city of Melrose, Melrose Township, Munson Township, North Fork Township, the city of Paynesville, Paynesville Township, Raymond Township, the city of Richmond, the city of Roscoe, the city of St. Martin, the city of Sauk Centre, Sauk Centre Township, the city of Spring Hill, Spring Hill Township, and Zion Township.

Subd. 2. [HOUSE DISTRICTS.] Senate district 15 is divided into two house districts as follows:

(a) House district 15A consists of all of Pope County and that portion of Stearns County included in senate district 15.

(b) House district 15B consists of that portion of senate district 15 not included in house district 15A.

Sec. 17. [2.194] [SIXTEENTH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 16 consists of that portion of Hennepin County consisting of the city of Rockford; that portion of Meeker County consisting of Forest Prairie Township and the city of Watkins; that portion of Sherburne County consisting of that portion of Becker Township not included in senate district 11, the city of Clear Lake, Clear Lake Township, that portion of Haven Township not in senate district 11, that portion of Palmer Township not in senate district 11; that portion of Stearns County consisting of the city of Cold Spring, Fair Haven Township, the city of Kimball Prairie, Luxemburg Township, Lynden Township, Maine Prairie Township, the city of Rockville, Rockville Township, and Wakefield Township; and that portion of Wright County not included in senate district 19 or 50.

Subd. 2. [HOUSE DISTRICTS.] Senate district 16 is divided into two house districts as follows:

(a) House district 16A consists of that portion of senate district 16 not included in house district 16B.

(b) House district 16B consists of that portion of Hennepin County included in senate district 16 and that portion of Wright County consisting of the city of Buffalo, Buffalo Township, the city of Cokato, Cokato Township, the city of Delano, Franklin Township, the city of Howard Lake, Marysville Township, Middleville Township, the city of Montrose, the city of Rockford, that portion of Rockford Township not in senate district 11, Stockholm Township, Victor Township, the city of Waverly, and Woodland Township.

Sec. 18. [2.204] [SEVENTEENTH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 17 contains that portion of Stearns County consisting of the city of St. Cloud not in senate district 11, St. Augusta Township, St. Cloud Township, and the city of Waite Park; that portion of Sherburne County consisting of the city of St. Cloud not in senate district 11; and that portion of Benton County consisting of the city of St. Cloud, the city of Sartell, the city of Sauk Rapids, Sauk Rapids Township, and Watab Township.

Subd. 2. [HOUSE DISTRICTS.] Senate district 17 is divided into two house districts as follows:

(a) House district 17A consists of that portion of senate district 17 not included in house district 17B.

(b) House district 17B consists of those portions of Benton and Sherburne Counties included in senate district 17, and that portion of the city of St. Cloud in Stearns County which is lying east and north of a line described as follows: commencing at the northern

boundary of the city of St. Cloud and the extension of 33rd Avenue North, southerly along the extension of 33rd Avenue North and 33rd Avenue North to the Burlington Northern Railroad right-of-way, easterly along the Burlington Northern Railroad right-of-way to 17th Avenue North, northerly along 17th Avenue North to 7th Street North, easterly along 7th Street North to 14th Avenue North, southerly along 14th Avenue North to 7th Street North, northeasterly along 7th Street North to Courthouse Street, southeasterly along Courthouse Street and the extension of Courthouse Street to Courthouse Square, southwesterly and southeasterly along Courthouse Square to 8th Avenue North, southeasterly along 8th Avenue North to West St. German Street, northeasterly along West St. German Street and its extension to the eastern boundary of Stearns County.

Sec. 19. [2.214] [EIGHTEENTH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 18 consists of all of Chisago County; that portion of Isanti County consisting of Athens Township, Bradford Township, the city of Isanti, North Branch Township, Oxford Township, Spencer Brook Township, Stanford Township, and Wyanett Township; and that portion of Anoka County consisting of the city of Bethel, Burns Township, the city of East Bethel, Linwood Township, Oak Grove Township, and the city of St. Francis.

Subd. 2. [HOUSE DISTRICTS.] Senate district 18 is divided into two house districts as follows:

(a) House district 18A consists of that portion of senate district 18 not included in house district 18B.

(b) House district 18B consists of all of Chisago County and that portion of Isanti County consisting of North Branch and Oxford Townships.

Sec. 20. [2.224] [NINETEENTH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 19 consists of that portion of Mille Lacs County consisting of the city of Bock, Bogus Brook Township, Borgholm Township, the city of Foreston, Greenbush Township, the city of Milaca, Milo Township, the city of Pease, the city of Princeton, and Princeton Township; that portion of Isanti County consisting of Dalbo Township; that portion of Sherburne County consisting of Baldwin Township, the city of Becker, the city of Big Lake, Big Lake Township, Blue Hill Township, the city of Elk River, Livonia Township, Orrock Township, the city of Princeton, and the city of Zimmerman; that portion of Wright County consisting of the city of Albertville, Frankfort Township, the city of Hanover, the city of Monticello, Monticello Township, Otsego Township, and the city of St. Michael; and that portion of Hennepin

County consisting of the city of Hanover, Hassan Township, and the city of Rogers.

Subd. 2. [HOUSE DISTRICTS.] Senate district 19 is divided into two house districts as follows:

(a) House district 19A consists of that portion of senate district 19 not included in house district 19B.

(b) House district 19B consists of those portions of Hennepin and Wright Counties included in senate district 19, and that portion of Sherburne County consisting of the city of Becker, the city of Big Lake, and Big Lake Township.

**Sec. 21. [2.234] [TWENTIETH DISTRICT.]**

Subdivision 1. [SENATE DISTRICT.] Senate district 20 consists of all of Lac qui Parle, Chippewa, Lincoln, and Lyon Counties; that portion of Yellow Medicine County not included in senate district 21; and that portion of Redwood County consisting of Gales Township, the city of Milroy, Springdale Township, Underwood Township, and Westline Township.

Subd. 2. [HOUSE DISTRICTS.] Senate district 20 is divided into two house districts as follows:

(a) House district 20A consists of that portion of senate district 20 not included in house district 20B.

(b) House district 20B consists of all of Lincoln and Lyon Counties and that portion of Redwood County included in senate district 20.

**Sec. 22. [2.244] [TWENTY-FIRST DISTRICT.]**

Subdivision 1. [SENATE DISTRICT.] Senate district 21 consists of all of Renville County; that portion of Meeker County not included in senate district 16; that portion of McLeod County consisting of Acoma Township, the city of Hutchinson, and Hutchinson Township; that portion of Kandiyohi County consisting of the city of Atwater, the city of Blomkest, East Lake Lillian Township, Edwards Township, Fahlun Township, Gennessee Township, Holland Township, the city of Kandiyohi, Kandiyohi Township, Lake Elizabeth Township, the city of Lake Lillian, Lake Lillian Township, the city of Prinsburg, the city of Raymond, Roseland Township, St. Johns Township, and Whitefield Township; that portion of Redwood County consisting of the city of Belview, the city of Delhi, Delhi Township, Honner Township, Kintire Township, the city of North Redwood, Paxton Township, the city of Redwood Falls, Redwood Falls Township, Sherman Township, and Swedes Forest Township; and that portion of Yellow Medicine County consisting of the city of

Echo, Echo Township, Posen Township, and Sioux Agency Township.

Subd. 2. [HOUSE DISTRICTS.] Senate district 21 is divided into two house districts as follows:

(a) House district 21A consists of that portion of senate district 21 not included in house district 21B.

(b) House district 21B consists of that portion of Meeker County and that portion of McLeod County included in senate district 21.

Sec. 23. [2.254] [TWENTY-SECOND DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 22 consists of that portion of Blue Earth County consisting of that portion of Lime Township lying east and north of a line described as follows: commencing at the intersection of the southern boundary of Lime Township and Highway 22, northerly along Highway 22 to Lime Valley Road, northerly along Lime Valley Road to the northern boundary of the city of Mankato; that portion of Carver County consisting of Benton Township, Camden Township, the city of Carver, the city of Chaska, the city of Cologne, the city of Dahlgren, Hancock Township, Hollywood Township, the city of Mayer, the city of New Germany, San Francisco Township, the city of Waconia, Waconia Township, the city of Watertown, Watertown Township, and that portion of the city of Chanhassen not in senate district 44; that portion of Hennepin County consisting of the city of Chanhassen; that portion of Le Sueur County consisting of the city of Cleveland, Cleveland Township, Derrynane Township, the city of Heidelberg, the city of Kasota, Kasota Township, the city of Le Center, the city of Le Sueur, Ottawa Township, Sharon Township, Tyrone Township, and that portion of Lanesburgh Township not entirely surrounded by the city of New Prague; that portion of Nicollet County consisting of Lake Prairie Township, Oshawa Township, the city of St. Peter, Traverse Township, that portion of Belgrade Township not entirely surrounded by the city of North Mankato, and that portion of the city of Mankato entirely surrounded by Belgrade Township; and that portion of Sibley County consisting of the city of Arlington, Arlington Township, Faxon Township, the city of Henderson, Henderson Township, Jessenland Township, Kelso Township, and Washington Lake Township.

Subd. 2. [HOUSE DISTRICTS.] Senate district 22 is divided into two house districts as follows:

(a) House district 22A consists of that portion of senate district 22 not included in house district 22B.

(b) House district 22B consists of that portion of Carver County

consisting of Benton Township, Camden Township, the city of Carver, the city of Chaska, Chaska Township, the city of Cologne, Dahlgren Township, Hancock Township, Hollywood Township, the city of Mayer, and the city of New Germany; that portion of the city of Chanhassen included in senate district 22; and that portion of San Francisco Township not surrounded by Faxon Township.

Sec. 24. [2.264] [TWENTY-THIRD DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 23 consists of all of Cottonwood, Murray, Pipestone, Rock, and Watonwan Counties; that portion of Nobles County consisting of Bloom Township, Larkin Township, Leota Township, the city of Lismore, Lismore Township, Summit Lake Township, the city of Wilmont, and Wilmont Township; and that portion of Redwood County not included in senate district 21 or 25.

Subd. 2. [HOUSE DISTRICTS.] Senate district 23 is divided into two house districts as follows:

(a) House district 23A consists of all of Murray, Pipestone, and Rock Counties and that portion of Nobles County included in senate district 23.

(b) House district 23B consists of that portion of senate district 23 not included in house district 23A.

Sec. 25. [2.274] [TWENTY-FOURTH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 24 consists of all of Jackson and Martin Counties; that portion of Faribault County not included in senate district 26 or 32; and that portion of Nobles County not included in senate district 23.

Subd. 2. [HOUSE DISTRICTS.] Senate district 24 is divided into two house districts as follows:

(a) House district 24A consists of all of Jackson County; that portion of Nobles County in senate district 24; and that portion of Martin County consisting of Cedar Township, the city of Ceylon, the city of Dunnell, Elm Creek Township, Jay Township, Lake Belt Township, Lake Fremont Township, Manyaska Township, and the city of Sherburn.

(b) House district 24B consists of that portion of senate district 24 not included in house district 24A.

Sec. 26. [2.284] [TWENTY-FIFTH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 25 consists of that portion of Brown County not included in senate district 23; that portion of Carver County consisting of the city of Hamburg, the city of Norwood, the city of Young America, and Young America Township; that portion of McLeod County not included in senate district 21; that portion of Nicollet County not included in senate district 22 or 26; that portion of Redwood County consisting of Brookville Township; that portion of Renville County consisting of Boon Lake Township, the city of Buffalo Lake, and Preston Lake Township; and that portion of Sibley County consisting of Alfsborg Township, Bismarck Township, Cornish Township, Dryden Township, the city of Gaylord, the city of Gibbon, Grafton Township, the city of Green Isle, Green Isle Township, Moltke Township, the city of New Auburn, New Auburn Township, Severance Township, Sibley Township, Transit Township, and the city of Winthrop.

Subd. 2. [HOUSE DISTRICTS.] Senate district 25 is divided into two house districts as follows:

(a) House district 25A consists of that portion of Brown County included in senate district 25, that portion of Nicollet County included in senate district 25, and that portion of Redwood County included in senate district 25.

(b) House district 25B consists of that portion of senate district 25 not included in house district 25A.

Sec. 27. [2.294] [TWENTY-SIXTH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 26 consists of that portion of Blue Earth County not included in senate district 22 or 31, that portion of Faribault County consisting of Delavan Township, the city of Easton, Lura Township, the city of Minnesota Lake, Minnesota Lake Township, the city of Winnebago, and Winnebago City Township; and that portion of Nicollet County consisting of those portions of Belgrade Township completely surrounded by the city of North Mankato, that portion of the city of Mankato not included in senate district 22, and the city of North Mankato.

Subd. 2. [HOUSE DISTRICTS.] Senate district 26A is divided into two house districts as follows:

(a) House district 26A consists of that portion of Blue Earth County consisting of the city of North Mankato; that portion of Lime Township not included in senate district 22; that portion of the city of Mankato lying east of a line described as follows: commencing at the intersection of the western boundary of the city of Mankato and Highway 169, northeasterly along Highway 169 to the northern boundary of the city of Mankato; and that portion of Mankato Township lying within a line described as follows: commencing at

the intersection of the western boundary of the city of Mankato and Highway 22 southerly along Highway 22 to the extension of County Highway 41, westerly along the extension of County Highway 41 to Pohl Road, westerly along Pohl Road to the southern boundary of the city of Mankato, northerly along the southern boundary of the city of Mankato to the point of origin; and that portion of Nicollet County consisting of Belgrade Township, that portion of the city of Mankato included in senate district 26, and that portion of the city of North Mankato lying north and east of a line described as follows: commencing at the intersection of the northern boundary of the city of North Mankato and Lake Street, southerly along Lake Street to Garfield Avenue, easterly along Garfield Avenue to Lyndale Street, northerly along Lyndale Street to Stewart Street, and easterly along Stewart Street and its extension to the eastern boundary of the city of North Mankato.

(b) House district 26B consists of that portion of senate district 26 not included in house district 26A.

Sec. 28. [2.304] [TWENTY-SEVENTH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 27 consists of all of Freeborn County and that portion of Mower County not included in senate district 28.

Subd. 2. [HOUSE DISTRICTS.] Senate district 27 is divided into two house districts as follows:

(a) House district 27A consists of all of Freeborn County except for London Township.

(b) House district 27B consists of that portion of senate district 27 not included in house district 27A.

Sec. 29. [2.314] [TWENTY-EIGHTH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 28 consists of all of Fillmore County; that portion of Mower County consisting of Bennington Township, Clayton Township, the city of Dexter, Dexter Township, Frankford Township, the city of Grand Meadow, Grand Meadow Township, the city of Le Roy, Le Roy Township, Lodi Township, Pleasant Valley Township, the city of Racine, Racine Township, and the city of Taopi; and that portion of Olmsted County not included in senate district 30 or 33.

Subd. 2. [HOUSE DISTRICTS.] Senate district 28 is divided into two house districts as follows:

(a) House district 28A consists of all of Fillmore County, that portion of Mower County in senate district 28, and that portion of



Olmsted County consisting of High Forest Township and the city of Stewartville.

(b) House district 28B consists of that portion of senate district 28 not included in house district 28A.

Sec. 30. [2.324] [TWENTY-NINTH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 29 consists of all of Houston County, and all of Winona County except for Whitewater Township, the city of Minneiska, Mount Vernon Township, and Whitewater Township.

Subd. 2. [HOUSE DISTRICTS.] Senate district 29 is divided into two house districts as follows:

(a) House district 29A consists of that portion of senate district 29 not included in house district 29B.

(b) House district 29B consists of that portion of Winona County consisting of the city of Goodview, Hillsdale Township, the city of Minnesota City, Norton Township, the city of Rollingstone, the city of Stockton, and the city of Winona, that portion of Rollingstone Township in senate district 29, and all of Winona Township except that portion lying south of the city of Winona.

Sec. 31. [2.334] [THIRTIETH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate District 30 contains that portion of Olmsted County consisting of the parts of Marion Township, Cascade Township, the city of Rochester, and Rochester Township lying within a line described as follows: commencing at the intersection of Country Club Road Northwest, the Rochester Township boundary and the city of Rochester boundary, easterly along Country Club Road Northwest to County Road 122, southerly along County Road 122 to Historic Drive Southwest, southeasterly along Historic Drive Southwest to County Road 122, southerly along County Road 122 to Salem Road Southwest, easterly along Salem Road Southwest to 17th Avenue Southwest, southerly along 17th Avenue Southwest to 16th Street Southwest, easterly along 16th Street Southwest to 11th Avenue Southeast, southerly along 11th Avenue Southeast to Pinewood Road Southeast, easterly along Pinewood Road Southeast to the western boundary of the city of Rochester, northerly and easterly along the boundary of the city of Rochester to the intersection of the boundary of the city of Rochester and Marion Street, southeasterly along Marion Street to the boundary of the city of Rochester, southeasterly, northerly, easterly, northerly, and westerly along the boundary of the city of Rochester to the intersection of the boundary of the city of Rochester and Sunrise Avenue Southeast, northerly along Sunrise Avenue South-

east to Rose Drive Southeast, northeasterly along Rose Drive Southeast to Harbor Drive Southeast, southeasterly, easterly and northerly along Harbor Drive Southeast to the boundary of the city of Rochester, easterly along the boundary of the city of Rochester and Eastwood Road Southeast to 40th Avenue Southeast, northerly along 40th Avenue Southeast to the boundary of the city of Rochester, easterly, northerly, westerly, northerly, westerly, southerly, westerly, northerly, westerly, and northerly, along the boundary of the city of Rochester to the intersection of West River Road, northerly along West River Road to the boundary of the city of Rochester, northerly and easterly along the boundary of the city of Rochester to 55th Street Northwest, westerly along 55th Street Northwest to the boundary of the city of Rochester, northwesterly and southerly along the boundary of the city of Rochester to 55th Street Northwest, westerly along 55th Street Northwest to the boundary of the city of Rochester, westerly and northwesterly along the boundary of the city of Rochester to 50th Avenue Northwest, southerly along 50th Avenue Northwest to Valley High Road Northwest, easterly along Valley High Road Northwest to the western boundary of the city of Rochester, southeasterly and southerly along the boundary of the city of Rochester to 19th Street Northwest, westerly along 19th Street Northwest to the boundary of the city of Rochester, southerly and easterly along the boundary of the city of Rochester to the intersection of Country Club Road and the boundary of Rochester Township.

Subd. 2. [HOUSE DISTRICTS.] Senate district 30 is divided into two house districts as follows:

(a) House district 30A consists of that portion of senate district 30 not included in house district 30B.

(b) House district 30B consists of those portions of senate district 30 south and east of a line described as follows: commencing at the intersection of County Road 122 and Country Club Road Northwest, easterly along Country Club Road Northwest to 2nd Street Southwest, easterly along 2nd Street Southwest to the boundary of the city of Rochester, northerly, easterly, and southerly along the boundary of the city of Rochester to 2nd Street Southwest, easterly along 2nd Street Southwest to the extension of 20th Avenue Southwest, northerly along the extension of 20th Avenue Southwest and 20th Avenue Southwest to the northern boundary of the city of Rochester, easterly and southerly along the boundary of the city of Rochester to 2nd Street Northwest, easterly along 2nd Street Northwest to 17th Avenue Northwest, northerly along 17th Avenue Northwest to U.S. Highway 52, northerly along U.S. Highway 52 to 7th Street Northwest, easterly along 7th Street Northwest to 1st Avenue Northeast, northerly along 1st Avenue Northeast to West Silver Lake Road, northwesterly along West Silver Lake Road to North Broadway Avenue, northeasterly along North Broadway Avenue to 14th Street Northeast, southeasterly along 14th Street

Northeast to 3rd Avenue Northeast, northerly along 3rd Avenue Northeast to North Broadway Avenue, northeasterly along North Broadway Avenue to Northern Heights Drive Northeast, southeasterly along Northern Heights Drive Northeast to 13th Avenue Northeast, northerly along 13th Avenue Northeast and its extension to the northern boundary of Cascade Township within senate district 30, easterly along the northern boundary of Cascade Township to the eastern boundary of senate district 30.

Sec. 32. [2.344] [THIRTY-FIRST DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 31 consists of all of Rice County; that portion of Blue Earth County consisting of Jamestown Township and the city of Madison Lake; that portion of Dakota County consisting of Eureka Township, Greenvale Township, the city of Northfield, Sciota Township, and Waterford Township, that portion of Castle Rock Township not included in senate district 36, that portion of Empire Township not included in senate district 36, and that portion of the city of Farmington not included in senate district 35; and that portion of Le Sueur County consisting of Cordova Township, Elysian Township, the city of Kilkenny, Kilkenny Township, the city of Montgomery, Montgomery Township, Washington Township, the city of Waterville, and Waterville Township.

Subd. 2. [HOUSE DISTRICTS.] Senate district 31 is divided into two house districts as follows:

(a) House district 31A consists of that portion of Dakota County in senate district 31; that portion of Le Sueur County consisting of Montgomery Township and the city of Montgomery; and that portion of Rice County consisting of Bridgewater Township, the city of Dundas, Erin Township, Forest Township, the city of Lonsdale, the city of Northfield, Northfield Township, Webster Township, and Wheatland Township.

(b) House district 31B consists of that portion of senate district 31 not included in house district 31A.

Sec. 33. [2.354] [THIRTY-SECOND DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 32 consists of all of Dodge, Steele, and Waseca Counties; that portion of Faribault County consisting of Dunbar Township; and that portion of Le Sueur County consisting of the city of Elysian.

Subd. 2. [HOUSE DISTRICTS.] Senate district 32 is divided into two house districts as follows:

(a) House district 32A consists of that portion of senate district 32 not included in house district 32B.

(b) House district 32B consists of that portion of Dodge County consisting of the city of Claremont, Claremont Township, Concord Township, the city of Dodge Center, Ellington Township, the city of Mantorville, Milton Township, Wasioja Township, the city of West Concord, and all of Mantorville Township except that portion totally surrounded by the city of Kasson; and that portion of Steele County consisting of Clinton Falls Township, Deerfield Township, Havana Township, the city of Medford, Medford Township, Meriden Township, Merton Township, the city of Owatonna, and Owatonna Township.

Sec. 34. [2.364] [THIRTY-THIRD DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 33 consists of all of Goodhue and Wabasha Counties; that portion of Dakota County consisting of Douglas Township, the city of Miesville, the city of Randolph, and Randolph Township; that portion of Olmsted County consisting of Farmington Township, Oronoco Township, and that portion of Cascade Township north of 75th Street Northwest; and that portion of Winona County consisting of the city of Minneiska, Mount Vernon Township, Whitewater Township, and that portion of Rollingstone Township not included in senate district 29.

Subd. 2. [HOUSE DISTRICTS.] Senate district 33 is divided into two house districts as follows:

(a) House district 33A consists of that portion of senate district 33 not included in house district 33B.

(b) House district 33B consists of those portions of Dakota and Rice Counties in senate district 33, and that portion of Goodhue County consisting of Belle Creek Township, the city of Cannon Falls, Cannon Falls Township, Cherry Grove Township, the city of Dennison, Featherstone Township, Holden Township, the city of Kenyon, Kenyon Township, Leon Township, Minneola Township, the city of Red Wing, Roscoe Township, Stanton Township, Vasa Township, Wacouta Township, the city of Wanamingo, Wanamingo Township, Warsaw Township, and Welch Township.

Sec. 35. [2.374] [THIRTY-FOURTH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 34 consists of that portion of Dakota County consisting of that portion of the city of Burnsville lying north of a line described as follows: commencing at the intersection of the eastern boundary of the city of Burnsville and Diffley Road, westerly along Diffley Road to Southview Drive, southwesterly along Southview Drive to Galtier Drive, northwest-

erly along Galtier Drive to Sibley Drive, southwesterly along Sibley Drive to Radisson Drive, westerly along Radisson Drive to River Hills Drive, westerly and southerly along River Hills Drive to Southview Drive, southwesterly along Southview Drive to County Road 11, southerly along County Road 11 to 122nd Street East, westerly and southerly along 122nd Street East to Travelers Trail, westerly along Travelers Trail to Portland Avenue, southerly along Portland Avenue to Burnsville Parkway, southwesterly along Burnsville Parkway to Girard Avenue, southerly along Girard Avenue to Leisure Lane, westerly along Leisure Lane to Humboldt Avenue, southerly along Humboldt Avenue to Lakota Lane, westerly along Lakota Lane to Burnsville Parkway, southwesterly along Burnsville Parkway to County Road 5, southerly along County Road 5 to 136th Street, westerly along 136th Street to Burnsville Parkway, southwesterly along Burnsville Parkway to County Road 42, westerly along County Road 42 to the boundary of the city of Burnsville; that portion of Le Sueur County consisting of Lanesburgh Township and the city of New Prague; and that portion of Scott County consisting of the city of Belle Plaine, Belle Plaine Township, Blakeley Township, Cedar Lake Township, Helena Township, Jackson Township, the city of Jordan, Louisville Township, the city of New Prague, the city of Prior Lake, St. Lawrence Township, Sand Creek Township, the city of Savage, the city of Shakopee, and Spring Lake Township.

Subd. 2. [HOUSE DISTRICTS.] Senate district 34 is divided into two house districts as follows:

(a) House district 34A consists of that portion of senate district 34 not included in house district 34B.

(b) House district 34B consists of that portion of of Dakota County included in senate district 34, and that portion of Scott County consisting of the city of Prior Lake and the city of Savage.

Sec. 36. [2.384] [THIRTY-FIFTH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 35 consists of that portion of Dakota County consisting of that portion of the city of Burnsville not included in senate district 34 and lying west of a line described as follows: commencing at the intersection of the southern boundary of the city of Burnsville and County Road 11, and northerly along County Road 11 to 122nd Street East; that portion of the city of Lakeville lying south of a line described as follows: commencing at the intersection of the northern boundary of the city of Lakeville and County Road 9, southwesterly along County Road 9 to Fairgreen Avenue, northerly along Fairgreen Avenue to 162nd Street, westerly along 162nd Street to Finch Way, southwesterly along Finch Way to 164th Street, westerly along 164th Street to Florin Avenue, and northerly along Florin Avenue to the northern boundary of the city of Lakeville; and that portion of

the city of Farmington lying west of a line described as follows: commencing at the intersection of the southern boundary of the city of Farmington and Third Street, northerly along Third Street to Elm Street, easterly along Elm Street to Fourth Street, northerly along Fourth Street to Pine Street, easterly along Pine Street to Fifth Street, northerly along Fifth Street to Linden Street, easterly along Linden Street to the northern boundary of the city of Farmington; and that portion of Scott County consisting of Credit River Township, the city of Elko, the city of New Market, and New Market Township.

Subd. 2. [HOUSE DISTRICTS.] Senate district 35 is divided into two house districts as follows:

(a) House district 35A consists of that portion of Dakota County consisting of that portion of the city of Burnsville included in senate district 35.

(b) House district 35B consists of that portion of senate district 35 not included in house district 35A.

Sec. 37. [2.394] [THIRTY-SIXTH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 36 consists of that portion of Dakota County consisting of the city of Coates, the city of Hampton, Hampton Township, the city of Hastings, Marshan Township, the city of New Trier, Nininer Township, Ravenna Township, the city of Rosemount, the city of Vermillion, Vermillion Township; that portion of the city of Apple Valley lying south of a line described as follows: commencing at the northern boundary of the city of Apple Valley and Pilot Knob Road, southerly along Pilot Knob Road to Everest Trail, easterly along Everest Trail to 125 Street West, easterly along 125th Street West to Johnny Cake Ridge Road, southerly along Johnny Cake Ridge Road to 129th Street West, easterly along 129th Street West to 130th Street West, easterly along 130th Street West to Cedar Avenue, northerly along Cedar Avenue to the northern boundary of the city of Apple Valley; that portion of the city of Lakeville not in senate district 35; that portion of Castle Rock Township lying south and east of a line described as follows: commencing at the intersection of the northern boundary of Castle Rock Township and Annette Avenue, southerly along Annette Avenue to 230th Street East, westerly along 230th Street East to Audrey Avenue, southerly along Audrey Avenue to 245th Street West, westerly along 245th Street West to Alverino Avenue, northerly along Alverino Avenue to 240th Street West, westerly along 240th Street West to the western boundary of Castle Rock Township; and that portion of Empire Township lying west and north of a line described as follows: commencing at the intersection of the western boundary of Empire Township and 170th Street West, easterly along 170th Street West to Chippendale Avenue, southerly along Chippendale Avenue to 197th Street West,

easterly along 197th Street West to Biscayne Avenue, southerly along Biscayne Avenue to 210th Street West, easterly along 210th Street West to Ahern Boulevard, southerly along Ahern Boulevard to the southern boundary of Empire Township; and that portion of Washington County consisting of the city of Hastings.

Subd. 2. [HOUSE DISTRICTS.] Senate district 36 is divided into two house districts as follows:

(a) House district 36A consists of that portion of the city of Apple Valley and the city of Lakeville in senate district 36.

(b) House district 36B consists of that portion of senate district 36 not in house district 36A.

Sec. 38. [2.404] [THIRTY-SEVENTH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 37 consists of that portion of Dakota County consisting of the city of Eagan, the city of Lilydale, the city of Mendota; that portion of the city of Burnsville not in senate district 34 or senate district 36; that portion of the city of Apple Valley not in senate district 35; and that portion of the city of Mendota Heights lying south and west of a line described as follows: commencing at the intersection of the northern boundary of the city of Mendota Heights and Wachtler Avenue, southerly along Wachtler Avenue to Wentworth Avenue, easterly along Wentworth Avenue to Dodd Road, southwesterly along Dodd Road to Mendota Heights Road, easterly along Mendota Heights Road to the eastern boundary of the city of Mendota Heights.

Subd. 2. [HOUSE DISTRICTS.] Senate district 37 is divided into two house districts as follows:

(a) House district 37A consists of that portion of Dakota County consisting of the city of Lilydale, the city of Mendota; and that portion of the city of Burnsville in senate district 37; that portion of the city of Eagan north and west of a line as follows: commencing at the intersection of the northern boundary of the city of Eagan and Pilot Knob Road, southerly along Pilot Knob Road to the extension of Interstate Highway 35E, southwesterly along the extension of Interstate Highway 35E to the intersection of Interstate Highway 35E and the southern boundary of the city of Eagan; and that portion of the city of Mendota Heights in senate district 37 lying north and west of a line described as follows: commencing at the intersection of Dodd Road and Mendota Heights Road, easterly along Mendota Heights Road to Interstate Highway 35E, southerly along Interstate Highway 35E to the southern boundary of the city of Mendota Heights.

(b) House district 37B consists of that portion of senate district 37 not in house district 37A.

Sec. 39. [2.414] [THIRTY-EIGHTH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 38 consists of that portion of Dakota County consisting of the city of Inver Grove Heights, the city of South St. Paul, the city of Sunfish Lake, the city of West St. Paul, and that portion of the city of Mendota Heights not in senate district 37.

Subd. 2. [HOUSE DISTRICTS.] Senate district 38 is divided into two house districts as follows:

(a) House district 38A consists of that portion of the city of Inver Grove Heights south of a line described as follows: commencing at the intersection of the western boundary of the city of Inver Grove Heights and Upper 55th Street East, easterly along Upper 55th Street East to Babcock Trail, northerly along Babcock Trail and the Lafayette Freeway to the northern boundary of the city of Inver Grove Heights; and that portion of the city of South St. Paul lying east and south of a line described as follows: commencing at the intersection of the southern boundary of the city of South St. Paul and the Lafayette Freeway, northerly along the Lafayette Freeway to Southview Boulevard, northeasterly along Southview Boulevard to 20th Avenue South, northerly along 20th Avenue South to Southview Boulevard, westerly along Southview Boulevard to 21st Avenue South, northerly along 21st Avenue South to Marie Avenue, easterly along Marie Avenue to 20th Avenue South, northerly along 20th Avenue South to Reid Lane, northeasterly along Reid Lane to 3rd Street North, easterly along 3rd Street North to 9th Avenue North, southerly along 9th Avenue North to 3rd Street North, easterly along 3rd Street North to Kaposia Boulevard, northwesterly along Kaposia Boulevard to Wentworth Avenue, easterly along Wentworth Avenue and the extension of Wentworth Avenue to the eastern boundary of the city of South St. Paul.

(b) House district 38B consists of senate district 38 not in house district 38A.

Sec. 40. [2.424] [THIRTY-NINTH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 39 consists of that portion of Washington County consisting of the city of Cottage Grove, Denmark Township, Grey Cloud Island Township, the city of Newport, the city of St. Paul Park, the city of Afton, the city of Lakeland, the city of Lakeland Shores, the city of Lake St. Croix Beach, the city of St. Marys Point, the city of Woodbury; and that portion of the city of Lake Elmo lying south and west of a line described as follows: commencing at the intersection of the southern boundary of the city of Lake Elmo and Lake Elmo Avenue North,



northerly along Lake Elmo Avenue North to 32nd Street North, easterly along 32nd Street North and its extension to the Burlington Northern Railroad right-of-way, easterly along the Burlington Northern Railroad right-of-way to Stillwater Boulevard North, easterly along Stillwater Boulevard North to Jamaica Avenue North, northerly along Jamaica Avenue North to 42nd Street North, easterly along 42nd Street North to Lake Jane Trail North, easterly along Lake Jane Trail North to the western boundary of the city of Lake Elmo; and that portion of the city of Oakdale lying south and east of a line described as follows: commencing at the intersection of the eastern boundary of the city of Oakdale and 40th Street North, easterly along 40th Street North to Gresham Circle, southerly and westerly along Gresham Circle to Gresham Avenue, southerly along Gresham Avenue to Gresham Way, northeasterly along Gresham Way to Grounder Road, southeasterly along Grounder Road to 37th Street North, easterly along 37th Street North to Hadley Avenue North, southeasterly along Hadley Avenue North to 34th Street North, easterly along 34th Street North to Interstate Highway 694, southerly along Interstate Highway 694 to the southern boundary of the city of Oakdale.

Subd. 2. [HOUSE DISTRICTS.] Senate district 39 is divided into two house districts as follows:

(a) House district 39A consists of that portion of senate district 39 not in house district 39B.

(b) House district 39B consists of the city of Afton, the city of Lakeland, the city of Lakeland Shores, the city of Lake St. Croix Beach, the city of St. Marys Point, the city of Woodbury; that portion of the city of Lake Elmo in senate district 39; and that portion of the city of Newport lying north and east of a line described as follows: commencing at the northern boundary of the city of Newport and Interstate Highway 494, southerly along Interstate Highway 494 to Bailey Road, southeasterly and southerly along Bailey Road to Ford Road, easterly along Ford Road to 8th Avenue, southerly along 8th Avenue to 21st Street, easterly along 21st Street to Barry Drive, southerly along Barry Drive to Terrace Road, easterly and southerly along Terrace Road to Mark Court, westerly along Mark Court to 10th Avenue, southerly along 10th Avenue to Glen Road, easterly along Glen Road to Woodbury Road, easterly along Woodbury Road to Kolff Street, northerly along Kolff Street to Wildridge Trail, easterly and northerly along Wildridge Trail to the eastern boundary of the city of Newport.

Sec. 41. [2.434] [FORTIETH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 40 consists of that portion of Anoka County consisting of the city of Centerville and that portion of the city of Lino Lakes lying within a line described as follows: commencing at the intersection of the northern

boundary of the city of Lino Lakes and Rondeau Drive West, southerly and westerly and southerly along Rondeau Drive West to Main Street, southerly and easterly and southerly along Main Street to the northern boundary of the city of Centerville, westerly, southerly, easterly, southerly, and easterly along the boundary of the city of Centerville to Centerville Road, southerly along Centerville Road to Birch Street, easterly along Birch Street to Old Birch Street, southerly and westerly along Old Birch Street to Birch Street, westerly along Birch Street to Hodgson Road, southerly along Hodgson Road to the southern boundary of the city of Lino Lakes, easterly along the southern boundary of the city of Lino Lakes to 22nd Avenue South, northerly along 22nd Avenue South to Otter Lake Drive, southeasterly along Otter Lake Drive to an extension of 20th Avenue South, northerly along the extension of 20th Avenue South to 22nd Avenue South, northeasterly and northerly along 22nd Avenue South to County Road 54, easterly along County Road 54 to the eastern boundary of the city of Lino Lakes, northerly and easterly along the boundary of the city of Lino Lakes to the point of origin; that portion of Washington County consisting of the city of Bayport, Baytown Township, the city of Forest Lake, Forest Lake Township, Grant Township, the city of Marine on St. Croix, May Township, New Scandia Township, the city of Oak Park Heights, the city of Pine Springs, the city of Stillwater, Stillwater Township, and West Lakeland Township, all of the city of Dellwood except that portion lying south of a line described as follows: commencing at the intersection of an extension of Echo Street with the shore of White Bear Lake, northerly along the extension and Echo Street to the Burlington Northern Railroad tracks, southerly along the Burlington Northern Railroad tracks to an extension of Dwinell Avenue, northeasterly along the extension and Dwinell Avenue to the southern boundary of the city of Dellwood; that portion of the city of Hugo lying north of a line described as follows: commencing at the intersection of the western boundary of the city of Hugo and 129th Street North, easterly along 129th Street North to Ethan Avenue North, southerly along Ethan Avenue North to 126th Street North, easterly along 126th Street North to Exhall Avenue North, northerly along Exhall Avenue North and the extension of Exhall Avenue North to the extension of 130th Street North, easterly along the extension and 130th Street North to Goodview Avenue North, southerly along Goodview Avenue North to the southern boundary of the city of Hugo; that portion of the city of Lake Elmo not included in senate district 39; that portion of the city of Mahtomedi lying north of a line described as follows: commencing at the intersection of the northern boundary of the city of Mahtomedi and Briarwood, southeasterly along Briarwood to Long Lake Creek, northerly and easterly along Long Lake Creek to Long Lake, northerly along the western border of Long Lake to the northern boundary of the city of Mahtomedi; and that portion of the city of Oakdale lying north of a line described as follows: commencing at the intersection of the western boundary of the city of Oakdale and 43rd Street North, easterly along 43rd Street North to Gershwin Avenue, southeasterly along Gershwin

Avenue to 40th Street, easterly along 40th Street to the eastern boundary of the city of Oakdale.

Subd. 2. [HOUSE DISTRICTS.] Senate district 40 is divided into two house districts as follows:

(a) House district 40A consists of that portion of senate district 40 not included in house district 40B.

(b) House district 40B consists of that portion of Washington County consisting of the city of Bayport, Baytown Township, the city of Oak Park Heights, the city of Pine Springs, the city of Stillwater, West Lakeland Township, and that portion of Grant Township lying south and east of a line described as follows: commencing at the intersection of the eastern boundary of Grant Township and 75th Street North, westerly along 75th Street North to Keats Avenue North, southerly along Keats Avenue North to the southern boundary of Grant Township, that portion of the city of Lake Elmo included in senate district 40, that portion of the city of Mahtomedi included in senate district 40, that portion of the city of Oakdale included in senate district 40, and that portion of Stillwater Township lying south of a line described as follows: commencing at the intersection of the eastern boundary of Stillwater Township and Dellwood Road, westerly along Dellwood Road to Neal Avenue North, southerly along Neal Avenue North to McKusick Road North, westerly along McKusick Road North to the western boundary of Stillwater Township.

Sec. 42. [2.444] [FORTY-FIRST DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 41 consists of that portion of Hennepin County consisting of the unorganized territory of Fort Snelling, that portion of the city of Bloomington lying east of a line described as follows: commencing at the intersection of the northern boundary of the city of Bloomington and Penn Avenue, southerly along Penn Avenue to West 86th Street, westerly along West 86th Street to Queen Avenue, southerly along Queen Avenue to West 90th Street, easterly along West 90th Street to Interstate Highway 35W, southerly along Interstate Highway 35W to the southern boundary of the city of Bloomington, and that portion of the city of Richfield lying north and east of a line described as follows: commencing at the intersection of the western boundary of the city of Richfield and an extension of West 71-1/2 Street, easterly along the extension of West 71-1/2 Street to an extension of Washburn Avenue, southerly along the extension of Washburn Avenue to an extension of West 72nd Street, easterly along the extension of West 72nd Street to an extension of Vincent Avenue, southerly along the extension of Vincent Avenue to an extension of West 73rd Street, easterly along the extension of West 73rd Street and West 73rd Street to Penn Avenue South, southerly along Penn Avenue South to West 74th Street, easterly along West

74th Street to Oliver Avenue South, southerly along Oliver Avenue South to West 75th Street, easterly along West 75th Street to Logan Avenue, southerly along Logan Avenue to West 76th Street, easterly along West 76th Street to Interstate Highway 35W, southerly along Interstate Highway 35W to the southern boundary of the city of Richfield.

Subd. 2. [HOUSE DISTRICTS.] Senate district 41 is divided into two house districts as follows:

(a) House district 41A consists of that portion of Hennepin County consisting of the unorganized territory of Fort Snelling and that portion of the city of Richfield located in senate district 41.

(b) House district 41B consists of that portion of senate district 41 not included in house district 41A.

Sec. 43. [2.454] [FORTY-SECOND DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 42 consists of that portion of Hennepin County consisting of that portion of the city of Bloomington not included in senate district 41, that portion of the city of Edina lying south and east of a line described as follows: commencing at the intersection of the eastern boundary of the city of Edina and West 66th Street, westerly along West 66th Street to South Crest Drive, southerly along South Crest Drive to Upper Terrace, westerly along Upper Terrace to Brittany Road, southerly along Brittany Road to West 69th Street, westerly along West 69th Street to Frontage Road, southerly along Frontage Road to West 70th Street, westerly along West 70th Street to Highway 100, and southerly along Highway 100 to the southern boundary of the city of Edina, and that portion of the city of Richfield not located in senate district 41.

Subd. 2. [HOUSE DISTRICTS.] Senate district 42 is divided into two house districts as follows:

(a) House district 42A consists of those portions of the cities of Richfield and Edina included in senate district 42 and that portion of the city of Bloomington in senate district 42 lying east of a line described as follows: commencing at the intersection of the northern boundary of the city of Bloomington and Highway 100, southerly along Highway 100 and Normandale Boulevard to Nine Mile Creek, southeasterly along Nine Mile Creek to France Avenue, southerly along France Avenue to Overlook Drive, westerly along Overlook Drive to Irwin Avenue, southerly along Irwin Avenue and the extension of Irwin Avenue to the southern boundary of the city of Bloomington.

(b) House district 42B consists of that portion of senate district 42 not included in house district 42A.

Sec. 44. [2.464] [FORTY-THIRD DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 43 consists of that portion of Hennepin County consisting of that portion of the city of Eden Prairie south of a line described as follows: commencing at the western boundary of the city of Eden Prairie and Duck Lake Trail, southeasterly along Duck Lake Trail to Ticonderoga Trail, southerly along Ticonderoga Trail to Valley View Drive, easterly along Valley View Drive to Duck Lake Road, southerly along Duck Lake Road to the extension of Eden Wood Drive, easterly along the extension of Eden Wood Drive to County Road 4, northerly along County Road 4 to North Hillcrest Court, easterly along North Hillcrest Court and its extension to Purgatory Creek, southeasterly along Purgatory Creek to Valley View Road, easterly along Valley View Road to Bryant Lake Drive, northerly along Bryant Lake Drive to Rowland Drive, easterly along Rowland Drive to Highway 212, northerly and easterly along Highway 212 and Highway 62 to the eastern boundary of the city of Eden Prairie, and that portion of the city of Edina not included in senate district 42.

Subd. 2. [HOUSE DISTRICTS.] Senate district 43 is divided into two house districts as follows:

(a) House district 43A consists of that portion of the city of Eden Prairie in senate district 43 and that portion of the city of Edina lying south of a line described as follows: commencing at the intersection of the western boundary of the city of Edina and Highway 62, easterly along Highway 62 to McCauley Trail West, southerly along McCauley Trail West to Indian Hills Road, easterly along Indian Hills Road to Dakota Trail, southerly along Dakota Trail to Valley View Road, northeasterly along Valley View Road to Susan Avenue, easterly along Susan Avenue to Tracy Avenue, southerly along Tracy Avenue to West 68th Street, easterly along West 68th Street to Hillside Lane, southerly along Hillside Lane to Brook Drive, easterly along Brook Drive and its extension to Nine Mile Creek, southeasterly along Nine Mile Creek to West 70th Street, easterly along West 70th Street to Highway 100.

(b) House district 43B consists of that portion of senate district 43 not included in house district 43A.

Sec. 45. [2.474] [FORTY-FOURTH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 44 consists of that portion of Carver County consisting of that portion of the city of Chanhassen lying north and east of a line described as follows: commencing at the intersection of the northern boundary of the city of Chanhassen and Yosemite Avenue, southerly along Yosemite

Avenue to Lucy Road, easterly along Lucy Road to Powers Boulevard, southerly along Powers Boulevard to 78th Street West, easterly along 78th Street West to the eastern boundary of Carver County; and that portion of Hennepin County consisting of the city of Deephaven, the city of Excelsior, the city of Greenwood, the city of Shorewood, the city of Spring Park, the city of Tonka Bay, and the city of Woodland; that portion of the city of Eden Prairie not included in senate district 43; that portion of the city of Minnetonka lying south of a line described as follows: commencing at the intersection of the western boundary of the city of Minnetonka and Excelsior Boulevard, easterly along Excelsior Boulevard to Chestnut Lane, northerly along Chestnut Lane to South Lane, easterly along South Lane to Reich Road, southerly along Reich Road to Excelsior Boulevard, easterly along Excelsior Boulevard to Linwood Terrace, southeasterly along Linwood Terrace to Highway 7, northeasterly along Highway 7 to Highwood Drive, northeasterly along Highwood Drive to Wilson Street, northerly along Wilson Street to Lake Street, easterly along Lake Street to Williston Road, southerly along Williston Road to Karyl Drive, easterly along Karyl Drive to Wildcrest Road, easterly along Wildcrest Road to Woodhill Road, southerly along Woodhill Road to Highway 7, easterly along Highway 7 to the western boundary of the city of Hopkins; that portion of the city of Mound lying south and east of a line described as follows: commencing at the western boundary of the city of Mound and Lynwood Boulevard, easterly along Lynwood Boulevard to Southview Lane, northerly along Southview Lane to Hillcrest Road, easterly along Hillcrest Road to Sycamore Road, northerly along Sycamore Road to Sunset Road, easterly along Sunset Road to Grandview Boulevard, easterly along Grandview Boulevard to Commerce Boulevard, northerly along Commerce Boulevard to the northern boundary of the city of Mound; that portion of the city of Minnetrista consisting of Cedar Point contiguous to the city of Mound and Enchanted Island; and that portion of the city of Orono lying west and south of a line described as follows: commencing at the intersection of the eastern boundary of the city of Spring Park and Shoreline Drive, easterly along Shoreline Drive to Shadywood Road, southeasterly along Shadywood Road to the western boundary of the city of Tonka Bay.

Subd. 2. [HOUSE DISTRICTS.] Senate district 44 is divided into two house districts as follows:

(a) House district 44A consists of those portions of the cities of Minnetonka and Eden Prairie included in senate district 44.

(b) House district 44B consists of that portion of senate district 44 not included in house district 44A.

Sec. 46. [2.484] [FORTY-FIFTH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 45 consists of

that portion of Hennepin County consisting of the city of Golden Valley, the city of Medicine Lake, and that portion of the city of Minnetonka not included in senate district 44 and lying west and north of a line described as follows: commencing at the westernmost intersection of the western boundary of the city of Hopkins and Highway 7, easterly along Highway 7 to the boundary of the city of Hopkins, northerly along the western and northern boundaries of the city of Hopkins to Hopkins Cross Road, northerly along Hopkins Cross Road to County Road 16, easterly along County Road 16 to Lindberg Drive, northerly along Lindberg Drive to Hillside Lane, westerly along Hillside Lane to Hopkins Cross Road, northerly along Hopkins Cross Road to Highway 12, and easterly along Highway 12 to the western boundary of the city of St. Louis Park; and that portion of the city of Plymouth lying south of a line described as follows: commencing at the intersection of the western boundary of the city of Plymouth and County Road 6, easterly along County Road 6 to Vicksburg Lane, southerly along Vicksburg Lane to Luce Line Hiking and Bike Trail, easterly along Luce Line Hiking and Bike Trail to Interstate Highway 494, northerly along Interstate Highway 494 to Plymouth Creek, easterly along Plymouth Creek to Xenium Lane, northerly along Xenium Lane to 34th Avenue North, easterly along 34th Avenue North to Rosewood Lane, northerly along Rosewood Lane to 37th Avenue North, easterly along 37th Avenue North to Northwest Boulevard, northerly along Northwest Boulevard to Rockford Road, easterly along Rockford Road to Cottonwood Lane, southeasterly along Cottonwood Lane and its extension to 36th Avenue North, easterly along 36th Avenue North to the eastern boundary of the city of Plymouth.

Subd. 2. [HOUSE DISTRICTS.] Senate district 45 is divided into two house districts as follows:

(a) House district 45A consists of that portion of Hennepin County consisting of the city of Wayzata, that portion of the city of Minnetonka included in senate district 45, and that portion of the city of Plymouth included in senate district 45 west of a line described as follows: commencing at the intersection of the northern boundary of senate district 45 and Interstate Highway 494, southerly along Interstate Highway 494 to the southern boundary of the city of Plymouth.

(b) House district 45B consists of that portion of senate district 45 not included in house district 45A.

Sec. 47. [2.494] [FORTY-SIXTH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 46 consists of that portion of Hennepin County consisting of the city of Hopkins, the city of St. Louis Park, and that portion of the city of Minnetonka not included in senate district 44 or senate district 45.

Subd. 2. [HOUSE DISTRICTS.] Senate district 46 is divided into two house districts as follows:

(a) House district 46A consists of that portion of Hennepin County consisting of that portion of the city of St. Louis Park lying east of a line described as follows: commencing at the intersection of the northern boundary of the city of St. Louis Park and Flag Avenue, southerly along Flag Avenue to Westmoreland Lane, easterly along Westmoreland Lane and West Franklin Avenue and its extension to Louisiana Avenue, southerly along Louisiana Avenue to the Burlington Northern Railroad tracks, southwesterly along the Burlington Northern Railroad tracks to Virginia Avenue, southerly along Virginia Avenue to West 28th Street, easterly along West 28th Street to Texas Avenue, southerly along Texas Avenue to the eastern boundary of the city of Hopkins, southerly along the eastern boundary of the city of Hopkins to the southern boundary of the city of St. Louis Park.

(b) House district 46B consists of that portion of senate district 46 not included in house district 46A.

Sec. 48. [2.504] [FORTY-SEVENTH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 47 consists of that portion of Carver County consisting of the city of Victoria and Laketown Township; that portion of Hennepin County consisting of the city of Corcoran, the city of Greenfield, the city of Independence, the city of Long Lake, the city of Maple Plain, the city of Loretto, the city of Medina, the city of Minnetonka Beach, and the city of St. Bonifacius; those portions of the city of Minnetrista, the city of Orono, and the city of Mound not included in senate district 44; that portion of the city of Plymouth not included in senate district 45 and lying west of a line described as follows: commencing at the intersection of the northern boundary of the city of Plymouth and Interstate Highway 494, southerly along Interstate Highway 494 to Bass Lake Road, easterly along Bass Lake Road to Pineview Lane, southerly along Pineview Lane to 49th Avenue, easterly along 49th Avenue to Larch Lane, and southerly along Larch Lane to Rockford Road; and that portion of the city of Maple Grove lying west and south of a line described as follows: commencing at the intersection of the western boundary of the city of Maple Grove and 97th Avenue North, easterly along 97th Avenue North to Interstate Highway 94, southeasterly along Interstate Highway 94 to Interstate Highway 494, southerly along Interstate Highway 494 to the southern boundary of the city of Maple Grove.

Subd. 2. [HOUSE DISTRICTS.] Senate district 47 is divided into two house districts as follows:

(a) House district 47A consists of that portion of senate district 47 not included in house district 47B.



(b) House district 47B contains those portions of the cities of Maple Grove and Plymouth included in senate district 47; that portion of the city of Medina lying south and east of a line described as follows: commencing at the intersection of the eastern boundary of the city of Medina and Medina Road, westerly along Medina Road to Tamarack Drive, southerly along Tamarack Drive to the southern boundary of the city of Medina; and that portion of the city of Orono lying north and east of a line described as follows: commencing at the intersection of the northern boundary of the city of Orono and Tamarack Drive, southeasterly along Tamarack Drive to Sixth Avenue North, easterly along Sixth Avenue North to the eastern boundary of the city of Orono.

Sec. 49. [2.514] [FORTY-EIGHTH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 48 consists of that portion of Hennepin County consisting of that portion of the city of Brooklyn Park lying west of a line described as follows: commencing at the intersection of the northern boundary of the city of Brooklyn Park and the southbound lane of Highway 169, southerly along the southbound lane of Highway 169 to 85th Avenue North, westerly along 85th Avenue North to Frontage Road, southerly and easterly along Frontage Road to the southbound lane of Highway 169, southerly along the southbound lane of Highway 169 to Greenhaven Drive, westerly along Greenhaven Drive to the Burlington Northern Railroad tracks, southerly along the Burlington Northern Railroad tracks to Brooklyn Boulevard, easterly along Brooklyn Boulevard to the southbound lane of Highway 169, southerly along the southbound lane of Highway 169 to 63rd Avenue North, westerly along 63rd Avenue North to the Burlington Northern Railroad tracks, southerly along the Burlington Northern Railroad tracks to the southern boundary of the city of Brooklyn Park, that portion of the city of Crystal not in senate district 49, that portion of the city of Maple Grove not in senate district 47 or 50, the city of New Hope, and that portion of the city of Plymouth not included in senate district 45 or 47.

Subd. 2. [HOUSE DISTRICTS.] Senate district 48 is divided into two house districts as follows:

(a) House district 48A consists of that portion of senate district 48 not included in house district 48B.

(b) House district 48B consists of that portion of the city of Crystal in senate district 48 and the city of New Hope.

Sec. 50. [2.524] [FORTY-NINTH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 49 consists of that portion of Hennepin County consisting of the city of Robbinsdale, that portion of the city of Brooklyn Center lying west and

south of a line described as follows: commencing at the intersection of the western boundary of the city of Brooklyn Center and 63rd Avenue, easterly along 63rd Avenue to Brooklyn Boulevard, southerly along Brooklyn Boulevard to 51st Avenue, easterly along 51st Avenue to the eastern boundary of the city of Brooklyn Center; that portion of the city of Brooklyn Park lying south and east of a line described as follows: commencing at the intersection of the western boundary of the city of Brooklyn Park and the extension of 83rd Avenue, westerly along the extension of and 83rd Avenue to West River Road, southerly along West River Road to 82nd Avenue North, westerly along 82nd Avenue North to Dupont Avenue, southerly along Dupont Avenue to 81st Avenue, westerly then southerly along 81st Avenue to Pearson Avenue, westerly along Pearson Avenue to Gun Flint Trail, westerly along Gun Flint Trail to Newton Avenue, northerly along Newton Avenue to Pearson Parkway, westerly along Pearson Parkway to Xerxes Avenue, southerly along Xerxes Avenue to Brookdale Drive, westerly along Brookdale Drive to Regent Avenue North, northerly along Regent Avenue North to 80th Avenue North, westerly along 80th Avenue North to Zane Avenue, northerly along Zane Avenue to Candlewood Drive, westerly along Candlewood Drive to Douglas Drive, northerly along Douglas Drive to 85th Avenue, westerly along 85th Avenue to Frontage Road, southerly and easterly along Frontage Road to the southbound lane of Highway 169, southeasterly along the southbound lane of Highway 169 to Greenhaven Drive, westerly along Greenhaven Drive to the Burlington Northern Railroad tracks, southerly along the Burlington Northern Railroad tracks to Brooklyn Boulevard, easterly along Brooklyn Boulevard to the southbound lane of Highway 169, southeasterly along the southbound lane of Highway 169 to Cartisian Avenue, westerly along Cartisian Avenue to the Burlington Northern Railroad tracks, southerly along the Burlington Northern Railroad tracks to the southern boundary of the city of Brooklyn Park; and that portion of the city of Crystal lying south and east of a line described as follows: commencing at the intersection of the northern boundary of the city of Crystal and Douglas Avenue, southerly along Douglas Avenue to 60th Avenue, westerly along 60th Avenue to Highway 169, southeasterly along Highway 169 to 58th Avenue, easterly along 58th Avenue to Yates Avenue, southerly along Yates Avenue to 57th Avenue, easterly along 57th Avenue to Vera Cruz Avenue, southerly along Vera Cruz Avenue to Angeline Avenue, easterly along Angeline Avenue to Unity Court, southerly along Unity Court and the extension of Unity Court to the Soo Line Railroad tracks, westerly along the Soo Line Railroad tracks to Lakeland Avenue, southeasterly along Lakeland Avenue to 47th Avenue North, westerly along 47th Avenue North to Brunswick Avenue North, southerly along Brunswick Avenue North to 45th Avenue, westerly along 45th Avenue to Douglas Avenue, southerly along Douglas Avenue to 36th Avenue, westerly along 36th Avenue to the western boundary of the city of Crystal, southerly, westerly, northerly, westerly, southerly, westerly, southerly, easterly, northerly, easterly, south-

erly along the boundary of the city of Crystal to the southern boundary of the city of Crystal.

Subd. 2. [HOUSE DISTRICTS.] Senate district 49 is divided into two house districts as follows:

(a) House district 49A consists of that portion of senate district 49 not included in house district 49B.

(b) House district 49B consists of that portion of the city of Brooklyn Park in senate district 49.

Sec. 51. [2.534] [FIFTIETH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 50 consists of that portion of Anoka County consisting of that portion of the city of Anoka lying south and west of a line described as follows: commencing at the intersection of the northern boundary of the city of Anoka and the Rum River, southerly along the Rum River to the extension of Carl Avenue, easterly along the extension of Carl Avenue to 7th Avenue North, northerly along 7th Avenue North to 38th Avenue Northwest, easterly along 38th Avenue Northwest to the boundary of the city of Anoka, southeasterly along the boundary of the city of Anoka to an extension of 12th Avenue, southerly along the extension and 12th Avenue to Roosevelt Street, easterly along Roosevelt Street to the eastern boundary of the city of Anoka; that portion of Hennepin County consisting of the cities of Champlin, Dayton, and Osseo, that portion of the city of Brooklyn Park lying north and west of a line described as follows: commencing at the intersection of the northern boundary of the city of Brooklyn Park and West River Road, southeasterly along West River Road to 97th Avenue North, westerly along 97th Avenue North to Newton Avenue, westerly along Newton Avenue to Olive Avenue, southerly along Olive Avenue to 95th Avenue, easterly along 95th Avenue to Newton Avenue North, southerly along Newton Avenue North to 93rd Avenue North, westerly along 93rd Avenue North to France Avenue, southerly along France Avenue and its extension to 85th Avenue North, easterly along 85th Avenue North to Xerxes Avenue, southerly along Xerxes Avenue to Brookdale Drive, westerly along Brookdale Drive to Regent Avenue North, northerly along Regent Avenue North to 80th Avenue North, westerly along 80th Avenue North to Zane Avenue, northerly along Zane Avenue to Candlewood Drive, westerly along Candlewood Drive to Douglas Drive, northerly along Douglas Drive to 85th Avenue North, westerly along 85th Avenue North to the southbound lane of Highway 169, northerly along the southbound lane of Highway 169 to the southern boundary of the city of Osseo, and that portion of the city of Maple Grove lying north of a line described as follows: commencing at the intersection of the western boundary of the city of Maple Grove and County Road 30, easterly along County Road 30 to Ives Lane, southerly along Ives Lane to 91st Avenue, westerly along 91st

Avenue to Magnolia Lane, southerly along Magnolia Lane to 90th Avenue, easterly along 90th Avenue to Jonquil Lane, southwesterly along Jonquil Lane to 89th Avenue North, easterly along 89th Avenue North to the eastern boundary of the city of Maple Grove.

Subd. 2. [HOUSE DISTRICTS.] Senate district 50 is divided into two house districts as follows:

(a) House district 50A consists of that portion of senate district 50 not included in house district 50B.

(b) House district 50B consists of that portion of Anoka County in senate district 50 and that portion of Hennepin County consisting of the city of Champlin.

Sec. 52. [2.544] [FIFTY-FIRST DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 51 consists of that portion of Hennepin County consisting of that portion of the city of Brooklyn Center not included in senate district 49, and that portion of the city of Minneapolis lying north of a line described as follows: commencing at the intersection of the western boundary of the city of Minneapolis and McNair Avenue, easterly along McNair Avenue to Thomas Avenue, northerly along Thomas Avenue to 24th Avenue, easterly along 24th Avenue to Sheridan Avenue, northerly along Sheridan Avenue to 26th Avenue, easterly along 26th Avenue to Queen Avenue, northerly along Queen Avenue to 27th Avenue, westerly along 27th Avenue to Russell Avenue, northerly along Russell Avenue to 29th Avenue, easterly along 29th Avenue to Queen Avenue, northerly along Queen Avenue to Lowry Avenue, easterly along Lowry Avenue to Penn Avenue, southerly along Penn Avenue to 30th Avenue, easterly along 30th Avenue to Humboldt Avenue, southerly along Humboldt Avenue to 29th Avenue, easterly along 29th Avenue to Emerson Avenue, northerly along Emerson Avenue to 30th Avenue, westerly along 30th Avenue to 3rd Street North, northerly along 3rd Street North to Lowry Avenue, easterly along Lowry Avenue to Marshall Street, northerly along Marshall Street to 27th Avenue Northeast, easterly along 27th Avenue Northeast and the extension of 27th Avenue Northeast to the Burlington Northern Railroad tracks, northeasterly along the Burlington Northern Railroad tracks to St. Anthony Boulevard, northeasterly along St. Anthony Boulevard to 32nd Avenue Northeast, easterly along 32nd Avenue Northeast to Tyler Street Northeast, southerly along Tyler Street Northeast to 29th Avenue, easterly along 29th Avenue to the eastern boundary of the city of Minneapolis.

Subd. 2. [HOUSE DISTRICTS.] Senate district 51 is divided into two house districts as follows:

(a) House district 51A consists of that portion of senate district 51 not included in house district 51B.

(b) House district 51B consists of that portion of the city of Minneapolis in senate district 51 lying south of a line described as follows: commencing at the intersection of the western boundary of the city of Minneapolis and 45th Avenue, easterly along 45th Avenue to James Avenue, southerly along James Avenue to 44th Avenue, easterly along 44th Avenue to Girard Avenue, southerly along Girard Avenue to 43rd Avenue, easterly along 43rd Avenue to Weber Parkway, southeasterly along Weber Parkway to 37th Avenue, easterly along 37th Avenue to the eastern bank of the Mississippi River, northerly along the eastern bank of the Mississippi River to the northern boundary of the city of Minneapolis.

Sec. 53. [2.554] [FIFTY-SECOND DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 52 consists of that portion of Hennepin County consisting of that portion of the city of Minneapolis not included in senate district 51 and lying north and east of a line described as follows: commencing at the intersection of the eastern boundary of the city of Minneapolis and Franklin Avenue, westerly along Franklin Avenue to the eastern bank of the Mississippi River, northerly along the eastern bank of the Mississippi River to Interstate Highway 94, southwesterly along Interstate Highway 94 to Franklin Terrace, southeasterly along Franklin Terrace to 6th Street, westerly along 6th Street to Riverside Avenue, southeasterly along Riverside Avenue to Franklin Avenue, westerly along Franklin Avenue to Hiawatha Avenue, northeasterly along Hiawatha Avenue to Interstate Highway 94, westerly along Interstate Highway 94 to 17th Street, westerly along 17th Street to Portland Avenue, northerly along Portland Avenue to 16th Street, easterly along 16th Street to Park Avenue, northerly along Park Avenue to 15th Street, westerly along 15th Street to 5th Avenue, northerly along 5th Avenue to Grant Street, easterly along Grant Street to Portland Avenue, southerly along Portland Avenue to 11th Street, easterly along 11th Street to 7th Street, northeasterly along 7th Street to 10th Street, northwesterly along 10th Street to Portland Avenue, northeasterly along Portland Avenue to 7th Street, northwesterly along 7th Street to 5th Avenue, southwesterly along 5th Avenue to 8th Street, northwesterly along 8th Street to 4th Avenue, southwesterly along 4th Avenue to 9th Street, northwesterly along 9th Street to 2nd Avenue, northeasterly along 2nd Avenue to 7th Street, southeasterly along 7th Street to 3rd Avenue, northeasterly along 3rd Avenue to 6th Street, southeasterly along 6th Street to 4th Avenue, northeasterly along 4th Avenue to 4th Street, northwesterly along 4th Street to 1st Avenue, northeasterly along 1st Avenue to the western bank of the Mississippi River, northwesterly along the western bank of the Mississippi River to Lowry Avenue.

Subd. 2. [HOUSE DISTRICTS.] Senate district 52 is divided into two house districts as follows:

(a) House district 52A consists of that portion of Hennepin County consisting of that portion of the city of Minneapolis lying south of a line described as follows: commencing at the intersection of the eastern bank of the Mississippi River and Hennepin Avenue, northeasterly along Hennepin Avenue to the western shore of Nicollet Island, southeasterly then northwesterly along the shore of Nicollet Island to Hennepin Avenue, northeasterly along Hennepin Avenue to 7th Street, southeasterly along 7th Street to 9th Avenue, northeasterly along 9th Avenue to 8th Street, southeasterly along 8th Street to 10th Avenue, northeasterly along 10th Avenue to Como Avenue, easterly along Como Avenue to the eastern boundary of the city of Minneapolis.

(b) House district 52b consists of that portion of senate district 52 not included in house district 52a.

Sec. 54. [2.564] [FIFTY-THIRD DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 53 consists of that portion of Hennepin County consisting of that portion of the city of Minneapolis not included in senate district 51 or 52 lying north and east of a line described as follows: commencing at the intersection of the eastern boundary of the city of Minneapolis and 46th Street, westerly along 46th Street to Godfrey Parkway, westerly along Godfrey Parkway to Nokomis Avenue, southerly along Nokomis Avenue to 49th Street, westerly along 49th Street to 29th Avenue, northerly along 29th Avenue to Godfrey Parkway, westerly along Godfrey Parkway to Minnehaha Parkway, westerly along Minnehaha Parkway to Longfellow Avenue, northerly along Longfellow Avenue to 47th Street, westerly along 47th Street to Cedar Avenue, northerly along Cedar Avenue to 46th Street, westerly along 46th Street to 13th Avenue, southerly along 13th Avenue to 47th Street, westerly along 47th Street to 10th Avenue, southerly along 10th Avenue to 48th Street, westerly along 48th Street to Chicago Avenue, northerly along Chicago Avenue to 39th Street, easterly along 39th Street to Elliot Avenue, northerly along Elliot Avenue to 38th Street, westerly along 38th Street to Columbus Avenue, northerly along Columbus Avenue to 37th Street, easterly along 37th Street to Chicago Avenue, northerly along Chicago Avenue to 36th Street, easterly along 36th Street to Elliot Avenue, northerly along Elliot Avenue to 34th Street, easterly along 34th Street to 10th Avenue, northerly along 10th Avenue to 33-1/2 Street, westerly along 33-1/2 Street to Elliot Avenue, northerly along Elliot Avenue to 31st Street, easterly along 31st Street to 10th Avenue, northerly along 10th Avenue to 29th Street, westerly along 29th Street to Park Avenue, northerly along Park Avenue to 28th Street, westerly along 28th Street to Oakland Avenue, northerly along Oakland Avenue to 28th Street, westerly along 28th

Street to Portland Avenue, southerly along Portland Avenue to 27th Street, westerly along 27th Street to 5th Avenue, northerly along 5th Avenue to Interstate Highway 35 W, westerly along Interstate Highway 35 W to 5th Avenue, northeasterly along 5th Avenue to 24th Street, easterly along 24th Street to Portland Avenue, southerly along Portland Avenue to 25th Street, easterly along 25th Street to Oakland Avenue, northerly along Oakland Avenue to 22nd Street, easterly along 22nd Street to Park Avenue, southerly along Park Avenue to 24th Street, easterly along 24th Street to Columbus Avenue, southerly along Columbus Avenue to 25th Street, easterly along 25th Street to Chicago Avenue, northerly along Chicago Avenue to 22nd Street, easterly along 22nd Street to Elliot Avenue, southerly along Elliot Avenue to 25th Street, easterly along 25th Street to 11th Street, northerly along 11th Street to 24th Street, westerly along 24th Street to 10th Avenue, northerly along 10th Avenue to 21st Street, easterly along 21st Street to 11th Avenue, southerly along 11th Avenue to 24th Street, easterly along 24th Street to 13th Avenue, northerly along 13th Avenue to 23rd Street, easterly along 23rd Street to 14th Avenue, northerly along 14th Avenue to Franklin Avenue, easterly along Franklin Avenue to 15th Avenue, northerly along 15th Avenue to 18th Street, easterly along 18th Street to 16th Avenue, southerly along 16th Avenue to Franklin Avenue, easterly along Franklin Avenue to the southwestern boundary of senate district 52.

Subd. 2. [HOUSE DISTRICTS.] Senate district 53 is divided into two house districts as follows:

(a) House district 53A consists of that portion of house district 53 not included in house district 53B.

(b) House district 53B consists of that portion of Hennepin County consisting of that portion of the city of Minneapolis included in senate district 53 lying south of a line described as follows: commencing at the intersection of 34th Street and Elliot Avenue, easterly along 34th Street to 10th Avenue, southerly along 10th Avenue to 34-1/2 Street, easterly along 34-1/2 Street to 11th Avenue, southerly along 11th Avenue to 35th Street, easterly along 35th Street to 15th Avenue, northerly along 15th Avenue to 34th Street, easterly along 34th Street to Hiawatha Avenue, northwesterly along Hiawatha Avenue to 33rd Street, easterly along 33rd Street to Snelling Avenue, southeasterly along Snelling Avenue to 34th Street, easterly along 34th Street to 35th Avenue, southerly along 35th Avenue to 35th Street, easterly along 35th Street to 45th Avenue, southerly along 45th Avenue to 36th Street, easterly along 36th Street to the eastern boundary of the city of Minneapolis.

Sec. 55. [2.574] [FIFTY-FOURTH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 54 consists of that portion of Hennepin County consisting of that portion of the

city of Minneapolis not included in senate district 51, 52, or 53, and lying south of a line described as follows: commencing at the intersection of the western boundary of the city of Minneapolis and Glendale Terrace, easterly along Glendale Terrace to Chowen Avenue, southerly along Chowen Avenue to 44th Street, easterly along 44th Street to Abbott Avenue, southerly along Abbott Avenue to 45th Street, easterly along 45th Street to Upton Avenue, southerly along Upton Avenue to 47th Street, easterly along 47th Street to West Lake Harriet Parkway, northerly then easterly along West Lake Harriet Parkway to East Lake Harriet Parkway, northerly along East Lake Harriet Parkway to 42nd Street, easterly along 42nd Street to Pleasant Avenue, southerly along Pleasant Avenue to 44th Street, easterly along 44th Street to Stevens Avenue, southerly along Stevens Avenue to 48th Street, easterly along 48th Street to Portland Avenue, northerly along Portland Avenue to 46th Street, easterly along 46th Street to Columbus Avenue, southerly along Columbus Avenue to 47th Street, easterly along 47th Street to the western boundary of senate district 43.

Subd. 2. [HOUSE DISTRICTS.] Senate district 54 is divided into two house districts as follows:

(a) House district 54A consists of that portion of senate district 54 not included in house district 54B.

(b) House district 54B consists of that portion of Hennepin County consisting of that portion of the city of Minneapolis lying north and west of a line described as follows: commencing at the intersection of Stevens Avenue and 48th Street, westerly along 48th Street to Pleasant Avenue, southerly along Pleasant Avenue to 49th Street, westerly along 49th Street to Pleasant Avenue, southerly along Pleasant Avenue to 50th Street, southeasterly along 50th Street to Gladstone Avenue, southerly along Gladstone Avenue to 52nd Street, westerly along 52nd Street to Harriet Avenue, southerly along Harriet Avenue to the north fork of Minnehaha Parkway, southeasterly along the north fork of Minnehaha Parkway to the south fork of Minnehaha Parkway, westerly along the south fork of Minnehaha Parkway to Pleasant Avenue, southerly along Pleasant Avenue to Diamond Lake Road, easterly along Diamond Lake Road to Nicollet Avenue, southerly along Nicollet Avenue to the southern boundary of the city of Minneapolis.

Sec. 56. [2.584] [FIFTY-FIFTH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 55 consists of that portion of Hennepin County consisting of that portion of the city of Minneapolis not included in senate district 51, 52, 53, or 54, lying south and west of a line described as follows: commencing at the intersection of the western boundary of the city of Minneapolis and Olson Memorial Highway, easterly along Olson Memorial Highway to the Burlington Northern Railroad tracks, southeasterly



along the Burlington Northern Railroad tracks to Glenwood Avenue, easterly along Glenwood Avenue to Russell Avenue, northerly along Russell Avenue to 4th Avenue, easterly along 4th Avenue to Queen Avenue, southerly along Queen Avenue to Glenwood Avenue, easterly along Glenwood Avenue to Penn Avenue, southerly along Penn Avenue to 3rd Avenue, easterly along 3rd Avenue to Logan Avenue, southerly along Logan Avenue to Cedar Lake Road, northeasterly along Cedar Lake Road to 3rd Avenue North, northwesterly along 3rd Avenue North to Gramercy Avenue, northeasterly along Gramercy Avenue to Glenwood Avenue, easterly along Glenwood Avenue to Girard Terrace, southerly along Girard Terrace to 2nd Avenue, easterly along 2nd Avenue to the Burlington Northern Railroad tracks, southerly then easterly along the Burlington Northern Railroad tracks to Interstate Highway 94, southerly along Interstate Highway 94 to Linden Street, easterly along Linden Street to 15th Street, northerly along 15th Street to Chestnut Street, easterly along Chestnut Street to 12th Street, southerly along 12th Street to Linden Street, easterly along Linden Street to 11th Street, southeasterly along 11th Street to Nicollet Avenue, northeasterly along Nicollet Avenue to 10th Street, easterly along 10th Street to Marquette Avenue, southerly along Marquette Avenue to 11th Street, southeasterly along 11th Street to 2nd Avenue, southwestery along 2nd Avenue to 12th Street, northwesterly along 12th Street to Marquette Avenue, southwestery along Marquette Avenue to 1st Avenue, southerly along 1st Avenue to 17th Street, easterly along 17th Street to 3rd Avenue, southerly along 3rd Avenue to 22nd Street, westerly along 22nd Street to 2nd Avenue, southerly along 2nd Avenue to 24th Street, westerly along 24th Street to 1st Avenue, northerly along 1st Avenue to 22nd Street, westerly along 22nd Street to Pillsbury Avenue, southerly along Pillsbury Avenue to 26th Street, westerly along 26th Street to Pleasant Avenue, southerly along Pleasant Avenue to 27th Street, westerly along 27th Street to Harriet Avenue, southerly along Harriet Avenue to 28th Street, easterly along 28th Street to Pleasant Avenue, southerly along Pleasant Avenue to the Soo Line railroad tracks, westerly along the Soo Line railroad tracks to Garfield Avenue, southerly along Garfield Avenue to Lake Street, easterly along Lake Street to Grand Avenue, southerly along Grand Avenue to 32nd Street, easterly along 32nd Street to Pillsbury Avenue, northerly along Pillsbury Avenue to 31st Street, easterly along 31st Street to Blaisdell Avenue, southerly along Blaisdell Avenue to 32nd Street, easterly along 32nd Street to Nicollet Avenue, southerly along Nicollet Avenue to 33rd Street, westerly along 33rd Street to Blaisdell Avenue, southerly along Blaisdell Avenue to 34th Street, easterly along 34th Street to Nicollet Avenue, southerly along Nicollet Avenue to 35th Street, westerly along 35th Street to Blaisdell Avenue, southerly along Blaisdell Avenue to 36th Street, easterly along 36th Street to Nicollet Avenue, southerly along Nicollet Avenue to 38th Street, easterly along 38th Street to 1st Avenue, southerly along 1st Avenue to 39th Street, westerly along 39th Street to Nicollet Avenue, southerly along Nicollet Avenue to 42nd Street, easterly along 42nd Street to

Stevens Avenue, southerly along Stevens Avenue to the northern boundary of senate district 54.

Subd. 2. [HOUSE DISTRICTS.] Senate district 55 is divided into two house districts as follows:

(a) House district 55A consists of that portion of senate district 55 not included in house district 55B.

(b) House district 55B consists of that portion of Hennepin County consisting of that portion of the city of Minneapolis lying south of a line described as follows: commencing at the intersection of 26th Street and Pleasant Avenue, westerly along 26th Street to Dupont Avenue, northerly along Dupont Avenue to 25th Street, westerly along 25th Street to Hennepin Avenue, southerly along Hennepin Avenue to the Soo Line railroad tracks, westerly along the Soo Line railroad tracks to the western boundary of the city of Minneapolis.

Sec. 57. [2.594] [FIFTY-SIXTH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 56 consists of that portion of Hennepin County consisting of that portion of the city of Minneapolis not included in senate district 51, 52, 53, 54, or 55.

Subd. 2. [HOUSE DISTRICTS.] Senate district 56 is divided into two house districts as follows:

(a) House district 56A consists of that portion of senate district 56 not included in house district 56B.

(b) House district 56B consists of that portion of Hennepin County consisting of that portion of the city of Minneapolis lying south of a line described as follows: commencing at the intersection of 12th Street and 2nd Avenue, southeasterly along 12th Street to 3rd Avenue, southwesterly along 3rd Avenue to Grant Street, easterly along Grant Street to Clinton Avenue, southerly along Clinton Avenue to 14th Street, easterly along 14th Street to 4th Avenue, southerly along 4th Avenue to 15th Street, easterly along 15th Street to the eastern boundary of senate district 56.

Sec. 58. [2.604] [FIFTY-SEVENTH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 57 consists of that portion of Anoka County consisting of that portion of the city of Blaine lying north and west of a line described as follows: commencing at the intersection of the western boundary of the city of Blaine and 118th Avenue Northeast, easterly along 118th Avenue Northeast to 7th Street Northeast, southerly along 7th Street Northeast to Oak Park Drive, westerly and southwesterly along Oak Park Drive

to 117th Avenue Northeast, easterly along 117th Avenue Northeast to Central Avenue, northerly along Central Avenue to the creek just north of 125th Street Northeast, easterly along the creek just north of 125th Street Northeast to an extension of Aberdeen Street, southerly along the extension of Aberdeen Street to 125th Avenue Northeast, easterly along 125th Avenue Northeast to Radisson Road, northerly and northeasterly along Radisson Road to the northern boundary of the city of Blaine; that portion of the city of Coon Rapids lying ..... of a line described as follows: commencing at the intersection of the eastern boundary of the city of Coon Rapids and Main Street, westerly along Main Street to Hanson Boulevard, northerly along Hanson Boulevard to 129th Lane, westerly along 129th Lane to Grouse Street, southerly along Grouse Street to 128th Avenue, westerly along 128th Avenue to 129th Avenue, westerly along 129th Avenue to 129th Lane, northerly along 129th Lane to Ibis Street, northerly along Ibis Street to 131st Street, westerly along 131st Street to Osage Street, northerly along Osage Street to the northern boundary of the city of Coon Rapids, easterly then southerly along the northern and eastern boundaries of the city of Coon Rapids to Pleasure Avenue, southwesterly along Pleasure Avenue to East River Road, southerly along East River Road and its extension to the western boundary of the city of Coon Rapids; that portion of the city of Ham Lake lying south and west of a line described as follows: commencing at the intersection of the southern boundary of the city of Ham Lake and Radisson Road Northeast, northerly along Radisson Road Northeast to 153rd Avenue Northeast, westerly along 153rd Avenue Northeast to Central Avenue, northerly along Central Avenue to 157th Avenue Northeast, westerly along 157th Avenue Northeast to the western boundary of the city of Ham Lake; and that portion of Hennepin County consisting of that portion of the city of Brooklyn Park not included in senate district 48, 49, or 50, and that portion of the city of Fridley lying north and west of a line described as follows: commencing at the intersection of the northern boundary of the city of Fridley and the Mississippi River, easterly along the northern boundary of the city of Fridley and its extension to Palm Street, northerly along Palm Street to the northern boundary of the city of Fridley.

Subd. 2. [HOUSE DISTRICTS.] Senate district 57 is divided into two house districts as follows:

(a) House district 57A consists of that portion of Anoka County consisting of that portion of the city of Coon Rapids lying south and west of a line described as follows: commencing at the intersection of the eastern boundary of the city of Coon Rapids and 102nd Lane, westerly along 102nd Lane to Butternut Street, southerly along Butternut Street to 101st Lane, westerly along 101st Lane to Foley Boulevard, southwesterly along Foley Boulevard to U.S. Highway 10, northwesterly along U.S. Highway 10 to Egret Boulevard, westerly along Egret Boulevard to the creek north of Avocet Street, northwesterly along the creek north of Avocet Street to 106th

Avenue, southwesterly along 106th Avenue to Grouse Street, southerly along Grouse Street and its extension to the Burlington Northern Railroad tracks, northwesterly along the Burlington Northern Railroad tracks to Hanson Boulevard, northerly along Hanson Boulevard to U.S. Highway 10, northwesterly along U.S. Highway 10 to the northern boundary of senate district 57; and that portion of Hennepin County included in senate district 57.

(b) House district 57B consists of that portion of senate district 57 not included in house district 57A.

Sec. 59. [2.614] [FIFTY-EIGHTH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 58 consists of that portion of Anoka County consisting of the city of Columbia Heights, the city of Hilltop, the city of Spring Lake Park; that portion of the city of Blaine lying south and west of a line described as follows: commencing at the intersection of the southern boundary of the city of Blaine and Central Avenue, northerly along Central Avenue to 99th Avenue, westerly along 99th Avenue to Polk Street, northerly along Polk Street to 105th Lane, westerly along 105th Lane to Territorial Avenue, westerly along Territorial Avenue to the western boundary of the city of Blaine; that portion of the city of Coon Rapids lying south and east of a line described as follows: commencing at the intersection of the eastern boundary of the city of Coon Rapids and Pleasure Avenue, southwesterly along Pleasure Avenue to 88th Avenue, southerly along 88th Avenue to East River Road, southerly along East River Road to 86th Avenue, westerly along 86th Avenue and the extension of 86th Avenue to the Mississippi River, southerly along the Mississippi River to the southern boundary of the city of Coon Rapids; and that portion of the city of Fridley not included in senate district 57, and that portion of Ramsey County consisting of the city of Spring Lake Park.

Subd. 2. [HOUSE DISTRICTS.] Senate district 58 is divided into two house districts as follows:

(a) House district 58A consists of that portion of senate district 58 not included in house district 58B.

(b) House district 58B consists of the city of Columbia Heights, and the city of Hilltop; that portion of the city of Fridley in senate district 58 lying south of a line described as follows: commencing at the intersection of the Mississippi River and Rice Creek, easterly along Rice Creek to the Burlington Northern Railroad tracks, southerly along the Burlington Northern Railroad tracks to Mississippi Street, easterly along Mississippi Street to University Avenue, southerly along University Avenue to 63rd Street, easterly along 63rd Street to 7th Street Northeast, southerly along 7th Street Northeast to 61st Avenue, easterly along 61st Avenue to Lake Drive, northeasterly along Lake Drive to Brookview, northerly

along Brookview to 63rd Avenue, easterly along 63rd Avenue to the eastern boundary of the city of Fridley.

Sec. 60. [2.624] [FIFTY-NINTH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 59 consists of that portion of Anoka County consisting of the city of Circle Pines; that portion of the city of Blaine lying south and east of a line described as follows: commencing at the intersection of the western boundary of the city of Blaine and 97th Lane, westerly along 97th Lane to Austin Street, southerly along Austin Street to Edgewood Road, westerly along Edgewood Road to Hamline Avenue, southerly along Hamline Avenue to Lovell Road, westerly along Lovell Road to Interstate Highway 35W, and southerly along Interstate Highway 35W to the southern boundary of the city of Blaine; that portion of the city of Lexington lying east and south of a line described as follows: commencing at the intersection of the northern boundary of the city of Lexington and Hamline Avenue, southerly along Hamline Avenue to Lovell Road, and westerly along Lovell Road to the western boundary of the city of Lexington; and that portion of the city of Lino Lakes lying south and west of a line described as follows: commencing at the intersection of the western boundary of the city of Lino Lakes and Lake Drive, northeasterly along Lake Drive to Hodgson Road, and southerly along Hodgson Road to the southern boundary of the city of Lino Lakes; and that portion of Ramsey County consisting of the city of Blaine, the city of Mounds View, and the city of New Brighton; that portion of the city of Arden Hills lying north and west of a line described as follows: commencing at the intersection of the eastern boundary of the city of Arden Hills and Highway 96, westerly along Highway 96 to Hamline Avenue, southerly along Hamline Avenue and the western branch of Hamline Avenue to Interstate Highway 694, southeasterly along Interstate Highway 694 to the eastern branch of Hamline Avenue, southerly along the eastern branch of Hamline Avenue to Ramsey Road, westerly along Ramsey Road to the western branch of Hamline Avenue, and southerly along the western branch of Hamline Avenue and Hamline Avenue to the southern boundary of the city of Arden Hills; that portion of the city of Roseville lying north and west of a line described as follows: commencing at the intersection of the western boundary of the city of Roseville and West County Road C, easterly along West County Road C to Snelling Drive, northerly along Snelling Drive to Centennial Drive, easterly along Centennial Drive to Arona Street, northerly along Arona Street to Brenner Avenue, easterly along Brenner Avenue to Pascal Street, northerly along Pascal Street to Clarmar Avenue, easterly along Clarmar Avenue to Hamline Avenue, and northerly along Hamline Avenue to the northern boundary of the city of Roseville; that portion of the city of Shoreview lying north of a line described as follows: commencing at the intersection of the eastern boundary of the city of Shoreview and Taylor Avenue, easterly along Taylor Avenue to Albans Street, northerly along Albans Street to County

Road I, and westerly along County Road I to the western boundary of the city of Shoreview; and that portion of White Bear Township lying within a line described as follows: commencing at the intersection of the western boundary of White Bear Township and Sherwood Road, easterly then northerly along Sherwood Road to the southern boundary of this portion of White Bear Township, easterly along the southern boundary of White Bear Township to the eastern boundary of White Bear Township, northerly along the eastern boundary of White Bear Township to the northern boundary of White Bear Township, westerly along the northern boundary of White Bear Township to the western boundary of White Bear Township, southerly along the western boundary of White Bear Township to Sherwood Road.

Subd. 2. [HOUSE DISTRICTS.] Senate district 59 is divided into two house districts as follows:

(a) House district 59A consists of that portion of Ramsey County consisting of the city of New Brighton; that portion of the city of Arden Hills lying south of a line described as follows: commencing at the intersection of the western boundary of the city of Arden Hills and Highway 96, easterly along Highway 96 to the eastern boundary of senate district 59; and that portion of the city of Roseville included in senate district 59.

(b) House district 59B consists of that portion of senate district 59 not included in house district 59A.

Sec. 61. [2.634] [SIXTIETH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 60 consists of that portion of Ramsey County consisting of the city of Little Canada and the city of North Oaks; that portion of the city of Arden Hills not included in senate district 59, that portion of the city of Maplewood lying west of a line described as follows: commencing at the intersection of the northern boundary of the city of Maplewood and Maplewood Drive, southerly along Maplewood Drive to County Road C, easterly along County Road C to Hazelwood Street, southerly along Hazelwood Street to County Road B, westerly along County Road B to Birmingham Street, southerly along Birmingham Street to Skillman Avenue, easterly along Skillman Avenue to Manton Street, southerly along Manton Street to Guidan Place, southeasterly along Guidan Place to Barclay Street, and southerly along Barclay Street to the southern boundary of the city of Maplewood; that portion of the city of Roseville not included in senate district 59 and lying north of a line described as follows: commencing at the intersection of the eastern boundary of the city of Roseville and West County Road B, westerly along West County Road B to Dale Street, northerly along Dale Street to West County Road C, and westerly along West County Road C to the eastern boundary of senate district 59; that portion of the city of Shoreview

not included in senate district 59; that portion of the city of Vadnais Heights lying east and north of a line described as follows: commencing at the intersection of the eastern boundary of the city of Vadnais Heights and the extension of Birch Lake Boulevard, southwesterly along the extension of Birch Lake Boulevard to Interstate Highway 35E, southerly along Interstate Highway 35E to Interstate Highway 694, easterly along Interstate Highway 694 to Highway 61, and southerly along Highway 61 to the southern boundary of the city of Vadnais Heights; and that portion of White Bear Township lying within a line described as follows: commencing at the intersection of the eastern boundary of White Bear Township and Highway 96, westerly along Highway 96 to the Soo Line Railroad tracks, northeasterly along the Soo Line Railroad tracks to Centerville Road, and southerly along Centerville Road to the point of beginning.

Subd. 2. [HOUSE DISTRICTS.] Senate district 60 is divided into two house districts as follows:

(a) House district 60A consists of that portion of senate district 60 not included in house district 60B.

(b) House district 60B consists of that portion of Ramsey County consisting of the city of Little Canada, that portion of the city of Maplewood included in senate district 60, that portion of the city of Roseville lying east and south of a line described as follows: commencing at the intersection of the eastern boundary of the city of Roseville and the Burlington Northern Railroad tracks, westerly then southwesterly along the Burlington Northern Railroad tracks to Dale Street, and southerly along Dale Street to the southern boundary of senate district 60; and that portion of the city of Vadnais Heights included in senate district 60 lying south of a line described as follows: commencing at the intersection of the western boundary of the city of Vadnais Heights and County Road F, and easterly along County Road F and its extension to the eastern boundary of senate district 60.

**Sec. 62. [2.644] [SIXTY-FIRST DISTRICT.]**

Subdivision 1. [SENATE DISTRICT.] Senate district 61 consists of that portion of Anoka County consisting of the city of Andover, Columbus Township, and the city of Ramsey; that portion of the city of Anoka not included in senate district 50; that portion of the city of Blaine not included in senate district 57, 58, or 59; that portion of the city of Coon Rapids not included in senate district 57 or 58; that portion of the city of Ham Lake not included in senate district 57; that portion of the city of Lexington not included in senate district 59; and that portion of the city of Lino Lakes not included in senate district 59 or 40.

Subd. 2. [HOUSE DISTRICTS.] Senate district 61 is divided into two house districts as follows:

(a) House district 61A consists of that portion of senate district 61 consisting of the city of Andover, the city of Anoka, the city of Coon Rapids, and the city of Ramsey.

(b) House district 61B consists of that portion of senate district 61 which is not included in house district 61A.

Sec. 63. [2.654] [SIXTY-SECOND DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 62 consists of that portion of Anoka County consisting of that portion of the city of Lino Lakes lying southeast of a line described as follows: commencing at the intersection of the eastern boundary of the city of Lino Lakes and 140th Street North, westerly along 140th Street North to 22nd Avenue, southerly along 22nd Avenue to an extension of 20th Avenue South, southerly along the extension and 20th Avenue South to Otter Lake Drive, northwesterly along Otter Lake Drive to 22nd Avenue, and southerly along 22nd Avenue to the southern boundary of the city of Lino Lakes; that portion of Ramsey County consisting of the city of Gem Lake, the city of North St. Paul, and the city of White Bear Lake; that portion of the city of Maplewood lying north of a line described as follows: commencing at the intersection of the eastern boundary of the city of Maplewood and Larpenteur Avenue, westerly along Larpenteur Avenue to the western boundary of the city of Maplewood; that portion of the city of Vadnais Heights not included in senate district 60; and that portion of White Bear Township not included in senate district 59 or 60; and that portion of Washington County consisting of the city of Birchwood Village, the city of White Bear Lake, and the city of Willernie; that portion of the city of Dellwood not included in senate district 40; that portion of the city of Hugo not included in senate district 40; and that portion of the city of Mahtomedi not included in senate district 40.

Subd. 2. [HOUSE DISTRICTS.] Senate district 62 is divided into two house districts as follows:

(a) House district 62A consists of that portion of senate district 62 not included in house district 62B.

(b) House district 62B consists of that portion of Ramsey county consisting of the city of Gem Lake and the city of North St. Paul; that portion of the city of Maplewood included in senate district 62; that portion of the city of Vadnais Heights included in senate district 62; and that portion of the city of White Bear Lake lying south of a line described as follows: commencing at the intersection of the western boundary of the city of White Bear Lake and County Road F, easterly along County Road F to White Bear Avenue,



southerly along White Bear Avenue to Cedar Avenue, easterly along Cedar Avenue to Bellaire Avenue, southerly along Bellaire Avenue to County Road E, easterly along County Road E to the eastern boundary of Ramsey County.

Sec. 64. [2.664] [SIXTY-THIRD DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 63 consists of that portion of Hennepin County consisting of the city of St. Anthony, and that portion of Ramsey County consisting of the city of Falcon Heights, the city of Lauderdale, that portion of the city of Roseville not in senate district 59 or 60, and that portion of the city of St. Paul lying north and west of a line described as follows: commencing at the intersection of the western boundary of the city of St. Paul and Marshall Avenue, easterly along Marshall Avenue to Wheeler Street, northerly along Wheeler Street to Iglehart Avenue, easterly along Iglehart Avenue to Fry Street, northerly along Fry Street to Concordia Avenue, easterly along Concordia Avenue to Hamline Avenue, northerly along Hamline Avenue to University Avenue, easterly along University Avenue to Lexington Parkway, northerly along Lexington Parkway to Lafond Avenue, easterly along Lafond Avenue to Oxford Street, northerly along Oxford Street to Pierce Butler Route, westerly along Pierce Butler Route to Lexington Parkway, northerly along Lexington Parkway to Topping Street, easterly along Topping Street to Oxford Street, northerly along Oxford Street and the extension of Oxford Street to the Burlington Northern Railroad tracks, easterly along the Burlington Northern Railroad tracks to Chatsworth Street, northerly along Chatsworth Street to Como Avenue, northwesterly along Como Avenue to Van Slyke Avenue, northerly along Van Slyke Avenue to Horton Avenue, easterly along Horton Avenue to the western shore of Lake Como, northerly along the western shore of Lake Como to Lexington Parkway, and northerly along Lexington Parkway to the northern boundary of the city of St. Paul.

Subd. 2. [HOUSE DISTRICTS.] Senate district 63 is divided into two house districts as follows:

(a) House district 63A consists of that portion of senate district 63 not included in house district 63B.

(b) House district 63B consists of that portion of Ramsey County consisting of that portion of the city of St. Paul included in senate district 63.

Sec. 65. [2.674] [SIXTY-FOURTH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 64 consists of that portion of Ramsey County consisting of that portion of the city of St. Paul not included in senate district 63 and lying south and west of a line described as follows: commencing at the intersection of

Concordia Avenue and Hamline Avenue, southerly along Hamline Avenue to the Soo Line railroad tracks, southeasterly along the Soo Line railroad tracks to Summit Avenue, easterly along Summit Avenue to Griggs Street, northerly along Griggs Street to Portland Avenue, easterly along Portland Avenue to Dale Street, southerly along Dale Street to Summit Avenue, easterly along Summit Avenue to Pleasant Avenue, southwesterly along Pleasant Avenue to St. Clair Avenue, westerly along St. Clair Avenue to Victoria Street, southerly along Victoria Street to Clifton Street, southerly along Clifton Street to Jefferson Avenue, easterly along Jefferson Avenue to Interstate Highway 35E, southerly along Interstate Highway 35E to Randolph Avenue, easterly along Randolph Avenue to Toronto Street, southerly along Toronto Street and an extension of Toronto Street to the northern bank of the Mississippi River, and southwesterly along the northern bank of the Mississippi River to the southern boundary of the city of St. Paul.

Subd. 2. [HOUSE DISTRICTS.] Senate district 64 is divided into two house districts as follows:

(a) House district 64A consists of that portion of senate district 64 not included in house district 64B.

(b) House district 64B consists of that portion of Ramsey County consisting of that portion of the city of St. Paul included in senate district 64 lying south of a line described as follows: commencing at the intersection of Interstate Highway 35E and Randolph Avenue, westerly along Randolph Avenue to Lexington Parkway, northerly along Lexington Parkway to James Avenue, westerly along James Avenue to Pascal Street, northerly along Pascal Street to Palace Avenue, westerly along Palace Avenue to Davern Street, southerly along Davern Street to James Avenue, westerly along James Avenue to Fairview Avenue, northerly along Fairview Avenue to St. Clair Avenue, westerly along St. Clair Avenue and its extension to the western boundary of the city of St. Paul.

Sec. 66. [2.684] [SIXTY-FIFTH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 65 consists of that portion of Ramsey County consisting of that portion of the city of St. Paul not included in senate district 63 or 64 and lying south and west of a line described as follows: commencing at the intersection of Oxford Street and Lafond Avenue, easterly along Lafond Avenue to Victoria Street, northerly along Victoria Street to St. Claire Avenue, easterly along St. Claire Avenue to Dale Street, northerly along Dale Street to the Burlington Northern Railroad tracks, easterly along the Burlington Northern Railroad tracks to Jackson Street, southerly along Jackson Street to University Avenue, easterly along University Avenue to Mississippi Street, northerly along Mississippi Street to the Burlington Northern Railroad tracks, northerly and northeasterly along the Burlington Northern

Railroad tracks and a spur of the Burlington Northern Railroad tracks to Arkwright Street, southerly along Arkwright Street to Minnehaha Avenue, easterly along Minnehaha Avenue to Desoto Street, southerly along Desoto Street to Beaumont Street, easterly along Beaumont Street to Payne Avenue, northeasterly along Payne Avenue to Preble Street, northerly along Preble Street to Minnehaha Avenue, easterly along Minnehaha Avenue to Earl Street, southerly along Earl Street to East 5th Street, westerly along East 5th Street to Forest Street, southerly along Forest Street to Interstate Highway 94, westerly along Interstate Highway 94 to an extension of Mound Street, southeasterly along an extension of Mound Street to Plum Street, westerly along Plum Street to Bates Avenue, southeasterly along Bates Avenue to Urban Place, southwesterly along Urban Place to Mounds Boulevard, easterly along Mounds Boulevard to an extension of Clermont Street, southwesterly along the extension of Clermont Street to the Mississippi River, and easterly and southerly along the Mississippi River to the southern boundary of the city of St. Paul.

Subd. 2. [HOUSE DISTRICTS.] Senate district 65 is divided into two house districts as follows:

(a) House district 65A consists of that portion of Ramsey County consisting of that portion of the city of St. Paul included in senate district 65 lying east and south of a line described as follows: commencing at the intersection of the northern boundary of senate district 65 and Jackson Street, southeasterly along Jackson Street to Exchange Street, southwesterly along Exchange Street and an extension of Exchange Street to West 7th Street, southwesterly along West 7th Street to an extension of Kellogg Boulevard, northwesterly along the extension of Kellogg Boulevard to Summit Avenue, southwesterly along Summit Avenue to the southern boundary of senate district 65.

(b) House district 65B consists of that portion of senate district 65 not included in house district 65A.

Sec. 67. [2.694] [SIXTY-SIXTH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 66 consists of that portion of Ramsey County consisting of that portion of the city of St. Paul not included in senate district 63, 64, or 65 lying north and west of a line described as follows: commencing at the intersection of the northern boundary of the city of St. Paul and Hazel Street, southerly along Hazel Street to Ivy Avenue, easterly along Ivy Avenue to Hazelwood Street, southerly along Hazelwood Street to Ames Avenue, southwesterly along Ames Avenue to Johnson Parkway, southerly along Johnson Parkway to the Burlington Northern Railroad tracks, southwesterly along the Burlington Northern Railroad tracks to an extension of Cypress Street, southerly along the extension and Cypress Street to Reaney Avenue,

easterly along Reaney Avenue to Earl Street, and southerly along Earl Street to the northern boundary of senate district 65.

Subd. 2. [HOUSE DISTRICTS.] Senate district 66 is divided into two house districts as follows:

(a) House district 66A consists of that portion of Ramsey County consisting of that portion of the city of St. Paul included in senate district 66 lying west of a line described as follows: commencing at the intersection of the northern boundary of the city of St. Paul and Westminster Street, southerly along Westminster Street to York Avenue, easterly along York Avenue to Arkwright Street, southerly along Arkwright Street to Cayuga Street, westerly along Cayuga Street to Westminster Street, and southerly along Westminster Street to the southern boundary of senate district 66.

(b) House district 66B consists of that portion of senate district 66 not included in house district 66A.

Sec. 68. [2.704] [SIXTY-SEVENTH DISTRICT.]

Subdivision 1. [SENATE DISTRICT.] Senate district 67 consists of that portion of Ramsey County consisting of that portion of the city of Maplewood not included in senate district 60 or 62, and that portion of the city of St. Paul not included in senate district 63, 64, 65, or 66; and that portion of Washington County consisting of the city of Landfall, and that portion of the city of Oakdale not included in senate district 39 or 40.

Subd. 2. [HOUSE DISTRICTS.] Senate district 67 is divided into two house districts as follows:

(a) House district 67A consists of that portion of Ramsey County consisting of that portion of the city of St. Paul included in senate district 67 south and west of a line described as follows: commencing at the intersection of the eastern boundary of the city of St. Paul and East 5th Street, westerly along East 5th Street to Hazel Street, northerly along Hazel Street to the Chicago and North Western railroad tracks, southwesterly along the Chicago and North Western railroad tracks to Ames Avenue, and northwesterly and westerly along Ames Avenue to the western boundary of senate district 67.

(b) House district 67B consists of that portion of senate district 67 not included in house district 67A.

Sec. 69. [2.713] [CONTROLLING DESCRIPTION.]

If a territory in this state is not named in sections 2 to 68, but (1) lies within the boundaries of a legislative district, or (2) lies between

the boundaries of two or more legislative districts, for the purposes of sections 2 to 68, the territory referred to in clause (1) is a part of the legislative district within which it lies, and the territory referred to in clause (2) is a part of the contiguous legislative district having the smallest population.

If a territory in this state is within the boundaries of two or more legislative districts, for the purposes of sections 2 to 68, the territory is a part of the contiguous legislative district having the smallest population.

Sec. 70. [REPEALER.]

Minnesota Statutes 1991 Supplement, sections 2.043; 2.053; 2.063; 2.073; 2.083; 2.093; 2.103; 2.113; 2.123; 2.133; 2.143; 2.153; 2.163; 2.173; 2.183; 2.193; 2.203; 2.213; 2.223; 2.233; 2.243; 2.253; 2.263; 2.273; 2.283; 2.293; 2.303; 2.313; 2.323; 2.333; 2.343; 2.353; 2.363; 2.373; 2.383; 2.393; 2.403; 2.413; 2.423; 2.433; 2.443; 2.453; 2.463; 2.473; 2.483; 2.493; 2.503; 2.513; 2.523; 2.533; 2.543; 2.553; 2.563; 2.573; 2.583; 2.593; 2.603; 2.613; 2.623; 2.633; 2.643; 2.653; 2.663; 2.673; 2.683; 2.693; and 2.703, are repealed.

Sec. 71. [EFFECTIVE DATE.]

Sections 1 to 70 are effective for the state primary election in 1992 and thereafter."

Amend the title as follows:

Page 1, line 4, after "246" insert "section 1; proposing coding for new law in Minnesota Statutes, chapter 2; repealing Minnesota Statutes 1991 Supplement, sections 2.043 to 2.703"

A roll call was requested and properly seconded.

The question was taken on the Knickerbocker amendment and the roll was called.

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

There were 58 yeas and 75 nays as follows:

Those who voted in the affirmative were:

Abrams	Bettermann	Boo	Dille	Frerichs
Anderson, R.	Bishop	Dauids	Erhardt	Girard
Anderson, R. H.	Blatz	Dempsey	Frederick	Goodno

Gruenes	Knickerbocker	McPherson	Pauly	Swenson
Gutknecht	Koppendrayner	Morrison	Pellow	Tompkins
Hartle	Krambeer	Newinski	Runbeck	Uphus
Haukoos	Krinkie	O'Connor	Schafer	Valento
Heir	Leppik	Olsen, S.	Schreiber	Waltman
Henry	Limmer	Omann	Seaberg	Weaver
Hufnagle	Lynch	Onnen	Smith	Welker
Hugoson	Macklin	Osthoff	Stanius	
Johnson, V.	Marsh	Ozment	Svigum	

Those who voted in the negative were:

Anderson, I.	Farrell	Kelso	Olson, K.	Skoglund
Battaglia	Garcia	Kinkel	Orenstein	Solberg
Bauerly	Greenfield	Krueger	Orfield	Sparby
Beard	Hanson	Lasley	Ostrom	Steensma
Begich	Hasskamp	Lieder	Pelowski	Thompson
Bertram	Hausman	Lourey	Peterson	Trimble
Bodahl	Jacobs	Mariani	Pugh	Tunheim
Brown	Janezich	McEachern	Reding	Vanasek
Carlson	Jaros	McGuire	Rest	Vellenga
Carruthers	Jefferson	Milbert	Rice	Wagenius
Clark	Jennings	Munger	Rodosovich	Wejzman
Cooper	Johnson, A.	Murphy	Rukavina	Welle
Dauner	Johnson, R.	Nelson, S.	Sarna	Wenzel
Dawkins	Kahn	Ogren	Segal	Winter
Dorn	Kalis	Olson, E.	Simoneau	Spk. Long

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

S. F. No. 1596, A bill for an act relating to technical and other corrections to the legislative redistricting plan; amending Laws 1991, chapter 246.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called.

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

There were 75 yeas and 57 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Carruthers	Hasskamp	Kalis	Milbert
Anderson, R.	Clark	Hausman	Kelso	Munger
Battaglia	Cooper	Jacobs	Kinkel	Murphy
Bauerly	Dauner	Janezich	Krueger	Nelson, S.
Beard	Dawkins	Jaros	Lasley	Ogren
Begich	Dorn	Jefferson	Lieder	Olson, E.
Bertram	Farrell	Jennings	Lourey	Olson, K.
Bodahl	Garcia	Johnson, A.	Mariani	Orenstein
Brown	Greenfield	Johnson, R.	McEachern	Orfield
Carlson	Hanson	Kahn	McGuire	Ostrom

Pelowski	Rice	Simoneau	Trimble	Wejcman
Peterson	Rodosovich	Skoglund	Tunheim	Welle
Pugh	Rukavina	Solberg	Vanasek	Wenzel
Reding	Sarna	Sparby	Vellenga	Winter
Rest	Segal	Steensma	Wagenius	Spk. Long

Those who voted in the negative were:

Abrams	Girard	Koppendraye	Olsen, S.	Stanius
Anderson, R. H.	Goodno	Krambeer	Omann	Svigum
Bettermann	Gruenes	Krinkie	Onnen	Swenson
Bishop	Gutknecht	Leppik	Osthoff	Tompkins
Blatz	Hartle	Limmer	Ozment	Uphus
Boo	Haukoos	Lynch	Pauly	Valento
Davids	Heir	Macklin	Pellow	Waltman
Dempsey	Henry	Marsh	Runbeck	Weaver
Dille	Hufnagle	McPherson	Schafer	Welker
Erhardt	Hugoson	Morrison	Schreiber	
Frederick	Johnson, V.	Newinski	Seaberg	
Frerichs	Knickerbocker	O'Connor	Smith	

The bill was passed and its title agreed to.

### MESSAGES FROM THE SENATE

The following message was received from the Senate:

Madam Speaker:

I hereby announce the passage by the Senate of the following Senate File, herewith transmitted:

S. F. No. 1621.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 1621, A bill for an act relating to education; University of Minnesota; appropriating money for the institute of technology and system specials.

The bill was read for the first time.

Carlson moved that S. F. No. 1621 and H. F. No. 1740, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

**MOTIONS AND RESOLUTIONS**

Brown moved that the name of Bauerly be added as an author on H. F. No. 1727. The motion prevailed.

Jefferson moved that the name of Leppik be added as an author on H. F. No. 1756. The motion prevailed.

Jaros moved that the names of Rukavina and Janezich be added as authors on H. F. No. 1783. The motion prevailed.

Frerichs moved that the name of Morrison be added as an author on H. F. No. 1808. The motion prevailed.

Jaros moved that S. F. No. 147 be recalled from the Committee on Judiciary and be re-referred to the Committee on General Legislation, Veterans Affairs and Gaming. The motion prevailed.

Osthoff moved that H. F. No. 1818 be recalled from the Committee on Local Government and Metropolitan Affairs and be re-referred to the Committee on General Legislation, Veterans Affairs and Gaming. The motion prevailed.

Thompson moved that H. F. No. 1795 be recalled from the Committee on Economic Development and be re-referred to the Committee on Agriculture. The motion prevailed.

**ADJOURNMENT**

Welle moved that when the House adjourns today it adjourn until 10:00 a.m., Friday, January 10, 1992. The motion prevailed.

Welle moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 10:00 a.m., Friday, January 10, 1992.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



## STATE OF MINNESOTA

## SEVENTY-SEVENTH SESSION—1992

## SIXTY-THIRD DAY

SAINT PAUL, MINNESOTA, FRIDAY, JANUARY 10, 1992

The House of Representatives convened at 10:00 a.m. and was called to order by Dee Long, Speaker of the House.

Prayer was offered by Senator Pat Piper, District 31, Austin, Minnesota.

The roll was called and the following members were present:

Abrams	Girard	Krinkie	Omann	Solberg
Anderson, I.	Goodno	Krueger	Onnen	Sparby
Anderson, R. H.	Greenfield	Lasley	Orenstein	Stanius
Battaglia	Gruenes	Leppik	Orfield	Steensma
Bauerly	Gutknecht	Lieder	Osthoff	Sviggum
Beard	Hanson	Limmer	Ostrom	Swenson
Bettermann	Hartle	Lourey	Ozment	Thompson
Blatz	Hasskamp	Lynch	Pauly	Tompkins
Bodahl	Haukoos	Macklin	Pellow	Trimble
Boo	Hausman	Mariani	Pelowski	Tunheim
Brown	Heir	Marsh	Peterson	Valento
Carlson	Henry	McEachern	Pugh	Vellenga
Carruthers	Hugoson	McGuire	Reding	Wagenius
Clark	Jacobs	McPherson	Rest	Waltman
Cooper	Jefferson	Milbert	Rice	Weaver
Dauner	Johnson, A.	Munger	Rodosovich	Wejzman
Davids	Johnson, R.	Murphy	Rukavina	Welker
Dawkins	Johnson, V.	Nelson, K.	Runbeck	Welle
Dempsey	Kahn	Nelson, S.	Sarna	Wenzel
Dorn	Kalis	Newinski	Schafer	Winter
Erhardt	Kelso	O'Connor	Schreiber	Spk. Long
Farrell	Kinkel	Ogren	Seaberg	
Frederick	Knickerbocker	Olsen, S.	Segal	
Frerichs	Koppendraye	Olson, E.	Skoglund	
Garcia	Krambeer	Olson, K.	Smith	

A quorum was present.

Anderson, R.; Begich; Bertram; Bishop; Dille; Hufnagle; Janezich; Jaros; Jennings; Morrison; Simoneau; Uphus and Vanasek were excused.

The Chief Clerk proceeded to read the Journal of the preceding day. Koppendraye moved that further reading of the Journal be

dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

#### REPORTS OF CHIEF CLERK

S. F. No. 1621 and H. F. No. 1740, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Carlson moved that S. F. No. 1621 be substituted for H. F. No. 1740 and that the House File be indefinitely postponed. The motion prevailed.

#### SECOND READING OF SENATE BILLS

S. F. No. 1621 was read for the second time.

#### INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Olson, K.; Pelowski; McEachern; Bauerly and Schafer introduced:

H. F. No. 1822, A bill for an act relating to education; providing funding for full day kindergarten; changing the kindergarten pupil weight; requiring a school district to offer full day kindergarten; amending Minnesota Statutes 1991 Supplement, section 124.17, subdivision 1.

The bill was read for the first time and referred to the Committee on Education.

Milbert introduced:

H. F. No. 1823, A bill for an act relating to statutes; providing for the numbering of session law chapters; amending Minnesota Statutes 1990, section 3C.04, subdivision 5.

The bill was read for the first time and referred to the Committee on Judiciary.

Waltman introduced:

H. F. No. 1824, A bill for an act relating to education; deleting a requirement delaying the sale and issuance of certain maximum effort school loan bonds; amending Minnesota Statutes 1991 Supplement, section 124.479.

The bill was read for the first time and referred to the Committee on Education.

Bodahl; Anderson, I.; Valento; Lieder and Kelso introduced:

H. F. No. 1825, A bill for an act relating to local government; amending various laws relating to contracts and conflicts of interest; amending Minnesota Statutes 1990, sections 412.311; 412.691; 471.345, subdivisions 3, 4, and by adding a subdivision; and 471.88, subdivision 5; repealing Minnesota Statutes 1990, section 471.88, subdivision 8.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Jennings, McEachern, Bauerly, Kelso and Schafer introduced:

H. F. No. 1826, A bill for an act relating to education; approving a maximum effort school loan program capital loan.

The bill was read for the first time and referred to the Committee on Education.

Dille, Wenzel, Steensma, Bauerly and Girard introduced:

H. F. No. 1827, A bill for an act relating to livestock diseases; modifying requirements for certain tests; amending Minnesota Statutes 1990, sections 35.245, subdivisions 1 and 2; and 35.251; repealing Minnesota Statutes 1990, section 35.245, subdivision 1a.

The bill was read for the first time and referred to the Committee on Agriculture.

Onnen and Sviggum introduced:

H. F. No. 1828, A bill for an act relating to elections; repealing the requirement that voters indicate party preference to vote in the presidential primary; amending Minnesota Statutes 1990, sections 207A.04, subdivision 3; 207A.06, subdivision 1; and 207A.09; re-

pealing Minnesota Statutes 1990, sections 207A.03, subdivision 2; and 207A.08.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Solberg, Vellenga, Wagenius, Blatz and McGuire introduced:

H. F. No. 1829, A bill for an act relating to criminal justice; providing gender balance on the sentencing guidelines commission; amending Minnesota Statutes 1991 Supplement, section 244.09, subdivision 2.

The bill was read for the first time and referred to the Committee on Judiciary.

Wenzel, Begich, Bodahl, Omann and Koppendrayner introduced:

H. F. No. 1830, A bill for an act relating to crime; providing for life imprisonment without release for certain persons convicted of first degree murder or repeat violent sex offenses; requiring consecutive sentences for persons convicted of multiple violent crimes; removing the crime of intentional second degree murder from the sentencing guidelines; providing mandatory minimum sentences for persons convicted of second and third degree murder, certain sex offenses, and first degree assault; reducing the good time allowance for violent offenders; granting the attorney general concurrent authority to prosecute felony offenses; expanding the sex offender registration statute; requiring the commissioner of corrections to determine whether a "psychopathic personality" commitment petition should be filed before releasing a sex offender from prison; authorizing bonding for capital improvements; changing penalties for certain prostitution related crimes; appropriating money; amending Minnesota Statutes 1990, sections 8.01; 244.04, subdivisions 1, 3, and by adding a subdivision; 244.05, subdivisions 4, 5, and by adding a subdivision; 609.15, by adding a subdivision; 609.184, subdivision 2; 609.19; 609.195; 609.221; 609.322; 609.323; 609.342, subdivision 2; 609.343, subdivision 2; and 609.346, subdivision 2a; Minnesota Statutes 1991 Supplement, section 243.166, subdivisions 1, 3, and 6.

The bill was read for the first time and referred to the Committee on Judiciary.

Wenzel, Krueger, Bertram, Valento and Lynch introduced:

H. F. No. 1831, A bill for an act relating to crime; providing for life imprisonment without release for certain persons convicted of first degree murder or repeat violent sex offenses; requiring consecutive

sentences for persons convicted of multiple violent crimes; removing the crime of intentional second degree murder from the sentencing guidelines; providing mandatory minimum sentences for persons convicted of second and third degree murder, certain sex offenses, and first degree assault; reducing the good time allowance for violent offenders; granting the attorney general concurrent authority to prosecute felony offenses; expanding the sex offender registration statute; requiring the commissioner of corrections to determine whether a "psychopathic personality" commitment petition should be filed before releasing a sex offender from prison; authorizing bonding for capital improvements; changing penalties for certain prostitution related crimes; appropriating money; amending Minnesota Statutes 1990, sections 8.01; 244.04, subdivisions 1, 3, and by adding a subdivision; 244.05, subdivisions 4, 5, and by adding a subdivision; 609.15, by adding a subdivision; 609.184, subdivision 2; 609.19; 609.195; 609.221; 609.322; 609.323; 609.342, subdivision 2; 609.343, subdivision 2; and 609.346, subdivision 2a; Minnesota Statutes 1991 Supplement, section 243.166, subdivisions 1, 3, and 6.

The bill was read for the first time and referred to the Committee on Judiciary.

Gutknecht, Wenzel, Koppendrayer, Bauerly and Uphus introduced:

H. F. No. 1832, A bill for an act relating to agriculture; repealing the Minnesota dairy unfair trade practices act; repealing Minnesota Statutes 1990, sections 32A.01; 32A.02; 32A.03; 32A.04; 32A.05; 32A.07; 32A.08; and 32A.09.

The bill was read for the first time and referred to the Committee on Agriculture.

Wejcman, Vellenga, Greenfield and Kalis introduced:

H. F. No. 1833, A bill for an act relating to traffic regulations; permitting certain cities to provide for volunteer enforcement of certain regulations; amending Minnesota Statutes 1990, section 169.346, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Transportation.

McPherson, Haukoos, Valento, Macklin and Hugoson introduced:

H. F. No. 1834, A bill for an act relating to elections; repealing the law requiring Minnesota to hold a presidential primary; repealing

Minnesota Statutes 1990, sections 207A.01; 207A.02; 207A.03; 207A.04; 207A.06; 207A.07; 207A.08; and 207A.09.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Bettermann and Heir introduced:

H. F. No. 1835, A bill for an act relating to elections; repealing the law requiring Minnesota to hold a presidential primary; repealing Minnesota Statutes 1990, sections 207A.01; 207A.02; 207A.03; 207A.04; 207A.06; 207A.07; 207A.08; and 207A.09.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Gutknecht, Rest, Sviggum, McPherson and Olson, E., introduced:

H. F. No. 1836, A bill for an act relating to taxation; property; reducing the penalties for taxes paid within ten days of the date due; amending Minnesota Statutes 1990, section 279.01, subdivision 3; and Minnesota Statutes 1991 Supplement, section 279.01, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

Jaros, Reding, Brown, Clark and Runbeck introduced:

H. F. No. 1837, A bill for an act relating to education; requiring instruction in Native American and ethnic cultures in the public schools; proposing coding for new law in Minnesota Statutes, chapter 126.

The bill was read for the first time and referred to the Committee on Education.

Cooper, Long, Simoneau, Welle and Anderson, I., introduced:

H. F. No. 1838, A bill for an act relating to the environment; forgiving advances and loans made under a pilot litigation loan project relating to wastewater treatment.

The bill was read for the first time and referred to the Committee on Appropriations.

Farrell, Skoglund and Newinski introduced:

H. F. No. 1839, A bill for an act relating to insurance; title; requiring all licensees engaged in the business of title insurance as agent or insurer to compete actively in the marketplace for their business; proposing coding for new law in Minnesota Statutes, chapter 68A.

The bill was read for the first time and referred to the Committee on Commerce.

Solberg, Vellenga, Bishop, Wejcman and Wagenius introduced:

H. F. No. 1840, A bill for an act relating to crimes; controlled substances; increasing penalties for sale or possession of cocaine to be identical to the penalties for sale or possession of cocaine base; amending Minnesota Statutes 1990, sections 152.021, subdivisions 1 and 2; 152.022, subdivisions 1 and 2; and 152.023, subdivision 2.

The bill was read for the first time and referred to the Committee on Judiciary.

Macklin, Vellenga, Morrison, Pugh and Seaberg introduced:

H. F. No. 1841, A bill for an act relating to crimes; expanding the crime of second degree murder to include certain deaths caused by domestic assault; amending Minnesota Statutes 1990, section 609.19.

The bill was read for the first time and referred to the Committee on Judiciary.

Morrison, Vellenga, Pugh, Milbert and Macklin introduced:

H. F. No. 1842, A bill for an act relating to child witnesses; expanding the circumstances under which special arrangements may be made for taking testimony from child witnesses in court proceedings; amending Minnesota Statutes 1990, section 595.02, subdivision 4.

The bill was read for the first time and referred to the Committee on Judiciary.

O'Connor, Abrams, Long, Dempsey and Osthoff introduced:

H. F. No. 1843, A bill for an act relating to elections; prohibiting transfer of certain money from a campaign committee that has

received a public subsidy; proposing coding for new law in Minnesota Statutes, chapter 10A.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

O'Connor, Abrams, Osthoff, Dempsey and Long introduced:

H. F. No. 1844, A bill for an act relating to elections; prohibiting certain transfers of money between political committees; amending Minnesota Statutes 1990, section 10A.17, by adding a subdivision.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Stanius, Smith, Krambeer, Haukoos and Sviggum introduced:

H. F. No. 1845, A bill for an act relating to elections; repealing the law requiring Minnesota to hold a presidential primary; repealing Minnesota Statutes 1990, sections 207A.01; 207A.02; 207A.03; 207A.04; 207A.06; 207A.07; 207A.08; and 207A.09.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Lasley, Thompson, Lieder and Olson, E., introduced:

H. F. No. 1846, A bill for an act relating to taxation; sales; modifying the exemption for occasional sales; amending Minnesota Statutes 1991 Supplement, section 297A.25, subdivision 12.

The bill was read for the first time and referred to the Committee on Taxes.

## MESSAGES FROM THE SENATE

The following message was received from the Senate:

Madam Speaker:

I hereby announce the passage by the Senate of the following Senate File, herewith transmitted:

S. F. No. 1623.

PATRICK E. FLAHAVEN, Secretary of the Senate



**FIRST READING OF SENATE BILLS**

S. F. No. 1623, A bill for an act relating to alcoholic beverages; authorizing the issuance of an on-sale intoxicating liquor license.

The bill was read for the first time.

**SUSPENSION OF RULES**

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Schreiber moved that the rule therein be suspended and an urgency be declared so that S. F. No. 1623 be given its second and third readings and be placed upon its final passage.

A roll call was requested and properly seconded.

The question was taken on the Schreiber motion and the roll was called. There were 69 yeas and 48 nays as follows:

Those who voted in the affirmative were:

Abrams	Frerichs	Knickerbocker	Olsen, S.	Seaberg
Anderson, R. H.	Girard	Koppendraye	Olson, E.	Smith
Bettermann	Goodno	Krambeer	Omann	Sparby
Blatz	Gruenes	Krinkie	Onnen	Stanius
Boo	Gutknecht	Leppik	Ozment	Svigugum
Carlson	Hartle	Lieder	Pauly	Swenson
Carruthers	Haukoos	Limmer	Pellow	Thompson
Cooper	Heir	Lynch	Peterson	Tompkins
Dauner	Henry	Macklin	Pugh	Valento
Davids	Hugoson	Marsh	Rest	Waltman
Dempsey	Johnson, A.	McPherson	Rukavina	Weaver
Erhardt	Johnson, R.	Milbert	Runbeck	Welker
Farrell	Johnson, V.	Newinski	Schafer	Winter
Frederick	Kinkel	Ogren	Schreiber	

Those who voted in the negative were:

Anderson, I.	Greenfield	Lasley	Orenstein	Trimble
Battaglia	Hanson	Lourey	Orfield	Tunheim
Bauerly	Hasskamp	Mariani	Ostrom	Vellenga
Beard	Hausman	McEachern	Pelowski	Wagenius
Bodahl	Jacobs	McGuire	Reding	Wejcman
Brown	Jefferson	Murphy	Rice	Welle
Clark	Kahn	Nelson, K.	Sarna	Wenzel
Dawkins	Kalis	Nelson, S.	Skoglund	Spk. Long
Dorn	Kelso	O'Connor	Solberg	
Garcia	Krueger	Olson, K.	Steensma	

The motion did not prevail.

S. F. No. 1623 was referred to the Committee on Regulated Industries.

**MOTIONS AND RESOLUTIONS**

Cooper moved that the name of Schafer be added as an author on H. F. No. 1784. The motion prevailed.

Pugh moved that H. F. No. 1819 be recalled from the Committee on Governmental Operations and be re-referred to the Committee on Judiciary. The motion prevailed.

**ADJOURNMENT**

Welle moved that when the House adjourns today it adjourn until 2:30 p.m., Monday, January 13, 1992. The motion prevailed.

Welle moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Monday, January 13, 1992.

**EDWARD A. BURDICK, Chief Clerk, House of Representatives**

## STATE OF MINNESOTA

## SEVENTY-SEVENTH SESSION — 1992

## SIXTY-FOURTH DAY

SAINT PAUL, MINNESOTA, MONDAY, JANUARY 13, 1992

The House of Representatives convened at 2:30 p.m. and was called to order by Dee Long, Speaker of the House.

Prayer was offered by Monsignor James D. Habiger, House Chaplain.

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

The roll was called and the following members were present:

Abrams	Garcia	Knickerbocker	Olson, E.	Solberg
Anderson, I.	Girard	Koppendrayner	Olson, K.	Sparby
Anderson, R.	Goodno	Krambeer	Omann	Stanius
Anderson, R. H.	Greenfield	Krinkie	Onnen	Steensma
Battaglia	Gruenes	Krueger	Orenstein	Sviggum
Bauerly	Gutknecht	Lasley	Orfield	Swenson
Beard	Hanson	Leppik	Osthoff	Thompson
Begich	Hartle	Lieder	Ostrom	Tompkins
Bertram	Hasskamp	Limmer	Ozment	Trimble
Bettermann	Haukoos	Lourey	Pellow	Tunheim
Bishop	Hausman	Lynch	Pelowski	Uphus
Blatz	Heir	Macklin	Peterson	Valento
Bodahl	Henry	Mariani	Pugh	Vanasek
Boo	Hufnagle	Marsh	Reding	Vellenga
Brown	Hugoson	McEachern	Rest	Wagenius
Carlson	Jacobs	McGuire	Rice	Waltman
Carruthers	Janezich	McPherson	Rodosovich	Weaver
Clark	Jaros	Milbert	Rukavina	Wejcmán
Dauner	Jefferson	Morrison	Runbeck	Welker
Dauids	Jennings	Munger	Sarna	Welle
Dawkins	Johnson, A.	Murphy	Schafer	Wenzel
Dempsey	Johnson, R.	Nelson, K.	Schreiber	Winter
Dille	Johnson, V.	Nelson, S.	Seaberg	Spk. Long
Dorn	Kahn	Newinski	Segal	
Erhardt	Kalis	O'Connor	Simoneau	
Frederick	Kelso	Ogren	Skoglund	
Frerichs	Kinkel	Olsen, S.	Smith	

A quorum was present.

Cooper and Pauly were excused.

Farrell was excused until 4:45 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Johnson, A., moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

## REPORTS OF STANDING COMMITTEES

Osthoff from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 1731, A bill for an act relating to elections; repealing the law requiring Minnesota to hold a presidential primary; repealing Minnesota Statutes 1990, sections 207A.01; 207A.02; 207A.03; 207A.04; 207A.06; 207A.07; 207A.08; and 207A.09.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1990, section 207A.01, is amended to read:

### 207A.01 [PRESIDENTIAL PRIMARY.]

A presidential primary must be held on the first Tuesday in April of each year after 1993 in which a president and vice president of the United States are to be nominated and elected, at which the voters of this state may express their preference among the candidates of the major political party of their choice, for that party's nomination to be president of the United States or may vote for uncommitted delegates to the national party convention. For the purposes of sections 207A.01 to 207A.07, “political party” or “party” means a political party as defined in section 200.02, subdivision 7.

### Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment.”

Delete the title and insert:

“A bill for an act relating to elections; changing the year for implementing the presidential primary; amending Minnesota Statutes 1990, section 207A.01.”

With the recommendation that when so amended the bill pass.

The report was adopted.

## **SECOND READING OF HOUSE BILLS**

H. F. No. 1731 was read for the second time.

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

The following House Files were introduced:

Lourey; Cooper; Johnson, R.; Solberg and Ostrom introduced:

H. F. No. 1847, A bill for an act relating to human services; providing special medical assistance payment increases for small, rural hospitals; amending Minnesota Statutes 1991 Supplement, section 256.969, subdivision 20.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Wagenius introduced:

H. F. No. 1848, A bill for an act relating to the city of Minneapolis; authorizing the city to issue general obligation bonds to finance certain parking, plaza, and other improvements related to federal courts project.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Vellenga, Solberg, Carruthers, Blatz and Wagenius introduced:

H. F. No. 1849, A bill for an act relating to crime; increasing penalties for certain sex offenders; providing for life imprisonment for certain repeat sex offenders; increasing supervision of sex offenders following release from prison; eliminating the "good time" reduction in a prison sentence unless a sex offender satisfactorily completes a treatment program in prison; prohibiting the release of a prison inmate on a weekend or holiday; requiring review of sex offenders for psychopathic personality commitment before prison release; amending Minnesota Statutes 1990, sections 241.67, subdi-

vision 3; 244.04, subdivision 1; 244.05, subdivisions 1, 3, 4, 5, and by adding a subdivision; 609.1352, subdivision 5, and by adding a subdivision; 609.342, subdivision 2; 609.343, subdivision 2; 609.346, subdivisions 2, 2a, and by adding a subdivision; Minnesota Statutes 1991 Supplement, sections 244.05, subdivision 6; and 244.12, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 609.

The bill was read for the first time and referred to the Committee on Judiciary.

Kelso introduced:

H. F. No. 1850, A bill for an act relating to education; authorizing an optional extra referendum levy in 1992 for independent school district No. 719, Prior Lake.

The bill was read for the first time and referred to the Committee on Education.

Kelso introduced:

H. F. No. 1851, A bill for an act relating to taxation; providing for payment of property tax refunds to the personal representative of a decedent; amending Minnesota Statutes 1990, section 290A.18, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

Welker introduced:

H. F. No. 1852, A bill for an act relating to Chippewa county; permitting the consolidation of the offices of auditor and treasurer.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Bishop, Pugh and Dorn introduced:

H. F. No. 1853, A bill for an act relating to Olmsted county; permitting the appointment of the recorder; authorizing the abolishment and reorganization of the office.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Garcia, Rest and Henry introduced:

H. F. No. 1854, A bill for an act relating to the city of Richfield; providing for the application of fiscal disparities to a certain tax increment financing district.

The bill was read for the first time and referred to the Committee on Taxes.

Welle moved that the House recess subject to the call of the Chair. The motion prevailed.

#### RECESS

#### RECONVENED

The House reconvened and was called to order by the Speaker.

Knickerbocker, Olson, E., and Weaver were excused for the remainder of today's session.

#### CALL OF THE HOUSE

On the motion of Welle and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Abrams	Frerichs	Kelso	Ogren	Skoglund
Anderson, I.	Garcia	Kinkel	Olsen, S.	Smith
Anderson, R. H.	Girard	Koppendrayer	Olson, K.	Solberg
Battaglia	Goodno	Krambeer	Omann	Sparby
Bauerly	Greenfield	Krinkie	Onnen	Stanisus
Beard	Gruenes	Krueger	Orenstein	Steenasma
Begich	Gutknecht	Lasley	Orfield	Sviggum
Bertram	Hanson	Leppik	Osthoff	Swenson
Bettermann	Hartle	Lieder	Ostrom	Thompson
Bishop	Hasskamp	Limmer	Ozment	Tompkins
Blatz	Haukoos	Lourey	Pellow	Trimble
Bodahl	Hausman	Lynch	Pelowski	Tunheim
Boo	Heir	Macklin	Peterson	Uphus
Brown	Henry	Mariani	Pugh	Valento
Carlson	Hufnagle	Marsh	Reding	Vanasek
Carruthers	Hugoson	McEachern	Rest	Vellenga
Clark	Jacobs	McGuire	Rice	Wagenius
Dauner	Janezich	McPherson	Rodosovich	Waltman
Dauids	Jaros	Milbert	Rukavina	Wejeman
Dawkins	Jefferson	Morrison	Runbeck	Welker
Dempsey	Jennings	Munger	Sarna	Welle
Dille	Johnson, A.	Murphy	Schafer	Wenzel
Dorn	Johnson, R.	Nelson, K.	Schreiber	Winter
Erhardt	Johnson, V.	Nelson, S.	Seaberg	Spk. Long
Farrell	Kahn	Newinski	Segal	
Frederick	Kalis	O'Connor	Simoneau	

Welle moved that further proceedings of the roll call be dispensed with and that the Sergeant at Arms be instructed to bring in the absentees. The motion prevailed and it was so ordered.

### MESSAGES FROM THE SENATE

The following message was received from the Senate:

Madam Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 11, 1622, 1598 and 1612.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 11, A bill for an act relating to crimes; controlled substances; increasing penalties for sale or possession of powder cocaine to be identical to the penalties for sale or possession of cocaine base; amending the definition of sale to include possession with intent to sell; amending Minnesota Statutes 1990, sections 152.01, subdivision 15a, and by adding a subdivision; 152.021, subdivision 2; 152.022, subdivision 2; 152.025, subdivision 2; Minnesota Statutes 1991 Supplement, sections 152.01, subdivision 20; 152.021, subdivision 1; 152.022, subdivision 1; and 152.023, subdivision 2.

The bill was read for the first time and referred to the Committee on Judiciary.

S. F. No. 1622, A bill for an act relating to the Minneapolis park and recreation board; providing for two members appointed by the Minneapolis park and recreation board on the Minneapolis reapportionment commission; establishing standards for park board redistricting.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

S. F. No. 1598, A bill for an act relating to elections; changing the year for implementing the presidential primary; eliminating requirement that primary voters identify themselves by party; amend-



ing Minnesota Statutes 1990, section 207A.01; repealing Minnesota Statutes 1990, sections 207A.03, subdivision 2; and 207A.08.

The bill was read for the first time.

Lasley moved that S. F. No. 1598 and H. F. No. 1731, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1612, A bill for an act relating to human services; temporarily removing the time limit on work readiness assistance.

The bill was read for the first time and referred to the Committee on Appropriations.

### GENERAL ORDERS

Welle moved that the bill on General Orders for today be continued. The motion prevailed.

### MOTIONS AND RESOLUTIONS

Schafer moved that the name of Hugoson be added as an author on H. F. No. 1733. The motion prevailed.

Onnen moved that the name of Anderson, R. H., be added as an author on H. F. No. 1828. The motion prevailed.

Bettermann moved that the name of Anderson, R. H., be added as an author on H. F. No. 1835. The motion prevailed.

Abrams was excused for the remainder of today's session.

### MOTION TO OVERRIDE LINE ITEM VETO

Bauerly; McEachern; Kelso; Nelson, K., and Lasley moved that Article 5, Section 9, page 115, lines 29 through 33, deletion of an open and standing appropriation, Chapter 265, H. F. No. 700, be now reconsidered and repassed, the objections of the Governor notwithstanding, pursuant to Article IV, Section 23, of the Constitution of the State of Minnesota.

The question was taken on the motion to reconsider and repass the

line item veto relating to Article 5, Section 9, page 115, lines 29 through 33, deletion of an open and standing appropriation, Chapter 265, H. F. No. 700, the objections of the Governor notwithstanding, pursuant to Article IV, Section 23, of the Constitution of the State of Minnesota and the roll was called.

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

There were 86 yeas and 42 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Farrell	Koppendrayer	Orfield	Steensma
Anderson, R.	Garcia	Krambeer	Osthoff	Thompson
Anderson, R. H.	Greenfield	Krueger	Ostrom	Tompkins
Battaglia	Hanson	Lasley	Pelowski	Trimble
Bauerly	Hasskamp	Lieder	Peterson	Tunheim
Beard	Hausman	Lourey	Pugh	Vanasek
Begich	Heir	Mariani	Reding	Vellenga
Bertram	Jacobs	McEachern	Rest	Wagenius
Bettermann	Janezich	McGuire	Rice	Waltman
Bodahl	Jaros	Milbert	Rodosovich	Wejcman
Brown	Jefferson	Munger	Rukavina	Welle
Carlson	Jennings	Murphy	Runbeck	Wenzel
Carruthers	Johnson, A.	Nelson, K.	Sarna	Winter
Clark	Johnson, R.	Nelson, S.	Segal	Spk. Long
Dauner	Kahn	O'Connor	Simoneau	
Dawkins	Kalis	Ogren	Skoglund	
Dille	Kelso	Olson, K.	Solberg	
Dorn	Kinkel	Orenstein	Sparby	

Those who voted in the negative were:

Bishop	Goodno	Krinkie	Olsen, S.	Stanius
Blatz	Gruenes	Leppik	Omann	Sviggum
Boo	Gutknecht	Limmer	Onnen	Swenson
Davids	Hartle	Lynch	Ozment	Uphus
Dempsey	Haukoos	Macklin	Pellow	Valento
Erhardt	Henry	Marsh	Schafer	Welker
Frederick	Hufnagle	McPherson	Schreiber	
Frerichs	Hugoson	Morrison	Seaberg	
Girard	Johnson, V.	Newinski	Smith	

Not having received the constitutionally required two-thirds vote, the line item veto was not reconsidered and not repassed.

#### ADJOURNMENT

Welle moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Tuesday, January 14, 1992.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-SEVENTH SESSION—1992

## SIXTY-FIFTH DAY

SAINT PAUL, MINNESOTA, TUESDAY, JANUARY 14, 1992

The House of Representatives convened at 2:30 p.m. and was called to order by Dee Long, Speaker of the House.

Prayer was offered by Representative Mary Murphy, District 8A, Hermantown, Minnesota.

The roll was called and the following members were present:

Abrams	Frederick	Kelso	Ogren	Skoglund
Anderson, I.	Ferichs	Kinkel	Olsen, S.	Smith
Anderson, R.	Garcia	Knickerbocker	Olson, E.	Solberg
Anderson, R. H.	Girard	Koppendrayer	Olson, K.	Sparby
Battaglia	Goodno	Krambeer	Omann	Stanius
Bauerly	Greenfield	Krinkie	Onnen	Steenasma
Beard	Gruenes	Krueger	Orenstein	Sviggum
Begich	Gutknecht	Lasley	Orfield	Swenson
Bertram	Hanson	Leppik	Osthoff	Thompson
Bettermann	Hartle	Lieder	Ostrom	Tompkins
Bishop	Hasskamp	Limmer	Ozment	Trimble
Blatz	Haukoos	Lourey	Pellow	Tunheim
Bodahl	Hausman	Lynch	Pelowski	Uphus
Boo	Heir	Macklin	Peterson	Valento
Brown	Henry	Mariani	Pugh	Vellenga
Carlson	Hufnagle	Marsh	Reding	Wagenius
Carruthers	Hugoson	McEachern	Rest	Waltman
Clark	Jacobs	McGuire	Rice	Weaver
Cooper	Janezich	McPherson	Rodosovich	Wejcman
Dauner	Jaros	Milbert	Rukavina	Welker
Davids	Jefferson	Morrison	Runbeck	Welle
Dawkins	Jennings	Munger	Sarna	Wenzel
Dempsey	Johnson, A.	Murphy	Schafer	Winter
Dille	Johnson, R.	Nelson, K.	Schreiber	Spk. Long
Dorn	Johnson, V.	Nelson, S.	Seaberg	
Erhardt	Kahn	Newinski	Segal	
Farrell	Kalis	O'Connor	Simoneau	

A quorum was present.

Pauly and Vanasek were excused.

The Chief Clerk proceeded to read the Journal of the preceding day. Garcia moved that further reading of the Journal be dispensed

with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

#### REPORTS OF CHIEF CLERK

S. F. No. 1598 and H. F. No. 1731, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Lasley moved that the rules be so far suspended that S. F. No. 1598 be substituted for H. F. No. 1731 and that the House File be indefinitely postponed. The motion prevailed.

#### REPORTS OF STANDING COMMITTEES

Vellenga from the Committee on Judiciary to which was referred:

S. F. No. 11, A bill for an act relating to crimes; controlled substances; increasing penalties for sale or possession of powder cocaine to be identical to the penalties for sale or possession of cocaine base; amending the definition of sale to include possession with intent to sell; amending Minnesota Statutes 1990, sections 152.01, subdivision 15a, and by adding a subdivision; 152.021, subdivision 2; 152.022, subdivision 2; 152.025, subdivision 2; Minnesota Statutes 1991 Supplement, sections 152.01, subdivision 20; 152.021, subdivision 1; 152.022, subdivision 1; and 152.023, subdivision 2.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Welle from the Committee on Rules and Legislative Administration to which was referred:

S. F. No. 1562, A bill for an act relating to legislative enactments; providing for the correction of miscellaneous oversights, inconsistencies, ambiguities, unintended results, and technical errors of a noncontroversial nature; amending Minnesota Statutes 1990, sections 2.031, subdivision 2, as amended; 82B.05, subdivision 1, as amended; 82B.11, subdivision 1, as amended; 82B.17, as amended; 82B.19, subdivision 3, as amended; 92.46, subdivision 1, as amended; 121.11, subdivision 12; 123.3514, subdivision 6, as

amended; 124A.03, subdivision 2, as amended; 126.22, subdivision 8, as amended; 136D.90, subdivisions 1 and 2, as amended; 273.13, subdivision 25, as amended; 290.191, subdivision 4; 302A.461, subdivision 2, as amended; 469.101, subdivision 23, as amended; 1991 H.F. No. 719, article 4, section 67, subdivision 1; 1991 S.F. No. 598, article 7, section 9; 1991 H.F. No. 719, article 5, section 72; 1991 H.F. No. 2, article 2, section 7; 1991 H.F. No. 700, article 6, section 67, subdivision 1; 1991 H.F. No. 700, article 1, section 29; 1991 H.F. No. 700, article 4, section 34; 1991 H.F. No. 700, article 6, section 39, subdivision 6; 1991 H.F. No. 700, article 7, section 13, subdivision 1; 1991 H.F. No. 700, article 8, section 20; 1991 H.F. No. 700, article 9, section 33, subdivision 5; 1991 H.F. No. 700, article 9, section 76; Laws 1989, chapter 341, article 1, section 26; Laws 1991, chapter 97, section 15; Laws 1991, chapter 246, sections 4, subdivision 1; 7, subdivision 2; 12, subdivision 1; 17, subdivision 2; 23, subdivision 1; 29, subdivision 2; 31; 34, subdivision 2; 38, subdivision 2; 39, subdivision 2; 40, subdivision 2; 41, subdivision 2, 42, subdivision 1; 43, subdivision 1; 44, subdivision 1; 47, subdivision 2; 49, subdivision 1; 50; 51; 53; 54, subdivision 2; 55, subdivision 2; 56, subdivision 1; 58, subdivision 1; 60, subdivision 1; 62, subdivision 1; 64, subdivision 2; 65, subdivision 1; 66, subdivision 1; 67; 68, subdivision 2; 69, and by adding a section.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

#### “ARTICLE 1

Section 1. Minnesota Statutes 1991 Supplement, section 302A.461, subdivision 2, is amended to read:

Subd. 2. [OTHER DOCUMENTS REQUIRED.] A corporation shall keep at its principal executive office, or, if its principal executive office is outside of this state, shall make available at its registered office within ten days after receipt by an officer of the corporation of a written demand for them made by a person described in subdivision 4, originals or copies of:

- (a) Records of all proceedings of shareholders for the last three years;
- (b) Records of all proceedings of the board for the last three years;
- (c) Its articles and all amendments currently in effect;
- (d) Its bylaws and all amendments currently in effect;
- (e) Financial statements required by section 302A.463 and the

financial statement for the most recent interim period prepared in the course of the operation of the corporation for distribution to the shareholders or to a governmental agency as a matter of public record;

(f) Reports made to shareholders generally within the last three years;

(g) A statement of the names and usual business addresses of its directors and principal officers;

(h) Voting trust agreements described in section 302A.453;

(i) Shareholder control agreements described in section 302A.457; and

(j) A copy of agreements, contracts, or other arrangements or portions of them incorporated by reference under section ~~320A.401~~ 302A.401, subdivision 3.

#### Sec. 2. [CORRECTION 1.]

Minnesota Statutes 1991 Supplement, section 82B.05, subdivision 1, is amended to read:

Subdivision 1. [MEMBERS.] The real estate appraiser advisory board consists of 15 members appointed by the commissioner of commerce. Three of the members must be public members, four must be consumers of appraisal services, and eight must be licensed real estate appraisers of whom not less than two members shall be state real property appraisers, federal residential real property appraisers, or certified federal residential real property appraisers and not less than two members shall be certified federal general real property appraisers.

#### Sec. 3. [CORRECTION 1.]

Minnesota Statutes 1991 Supplement, section 82B.11, subdivision 1, is amended to read:

Subdivision 1. [GENERALLY.] There are five classes of license for licensed real estate appraisers.

#### Sec. 4. [CORRECTION 1.]

Minnesota Statutes 1991 Supplement, section 82B.17, is amended to read:

#### 82B.17 [LICENSE DESIGNATION.]

When a licensed real estate appraiser uses the designation real estate appraiser or similar terms in an appraisal report or in a contract or other instrument used by the license holder in conducting real property appraisal activities or in advertisements, the appraiser shall place the appraiser's license number adjacent to or immediately below the designation used and indicate the class of license held.

Sec. 5. [CORRECTION 1.]

Minnesota Statutes 1991 Supplement, section 82B.19, subdivision 3, is amended to read:

Subd. 3. [REINSTATEMENTS.] A license as a real estate appraiser that has been revoked as a result of disciplinary action by the commissioner may not be reinstated unless the applicant presents evidence of completion of the continuing education required by this chapter. This requirement may not be imposed upon an applicant for reinstatement who has been required to successfully complete the examination for licensed real estate appraiser as a condition to reinstatement of a license.

Sec. 6. [CORRECTION 1.]

Laws 1989, chapter 341, article 1, section 26, is amended to read:

Sec. 26. [REPEALER.]

Section 23 is repealed ~~September~~ January 1, 1991 1992.

Sec. 7. [CORRECTION 1.]

Laws 1991, chapter 97, section 15, is amended to read:

Sec. 15. [EXISTING LICENSES.]

Licenses issued pursuant to Minnesota Statutes, chapter 82B, before the effective date of this act remain valid and in effect until ~~September~~ January 1, 1991 1992. A licensee who satisfies the examination or education requirements of Minnesota Statutes, section 82B.225, no later than ~~August~~ December 31, 1991, is eligible for licensure under Minnesota Statutes, section 82B.11, subdivision 2.

Sec. 8. [CORRECTION 2.]

Subdivision 1. [INCONSISTENT AMENDMENTS.] The amendment to Minnesota Statutes 1990, section 549.09, subdivision 1, paragraph (b), clause (2), contained in Laws 1991, chapter 266, section 10, prevails over the amendment to Minnesota Statutes

1990, section 549.09, subdivision 1, paragraph (b), clause (2), contained in Laws 1991, chapter 321, section 7.

Subd. 2. [EFFECTIVE DATE.] Subdivision 1 is effective August 1, 1991.

Sec. 9. [CORRECTION 3.]

Minnesota Statutes 1991 Supplement, section 256B.74, subdivision 1, is amended to read:

Subdivision 1. [HOSPITAL REIMBURSEMENT.] (a) Effective for admissions occurring on or after July 1, 1991, the commissioner shall make an indigent care payment to Minnesota and local trade area hospitals except facilities of the federal Indian Health Service and regional treatment centers, in addition to all other payment to hospitals for inpatient services. The first indigent care payment shall be ten percent of the amount of medical assistance payments issued to that provider for inpatient services in a ~~given the first~~ calendar quarter or month of 1991, excluding indigent care payments paid under this section, divided by the number of related admissions, or patient days if applicable, and multiplying the result by 111 percent. Subsequent indigent care payment amounts shall be calculated monthly. The indigent care payment is added to each admission, or patient day if applicable, occurring (1) in the second calendar quarter beginning after the quarter on which the ~~September 15, 1991,~~ first indigent care payment amount is based and (2) in the month beginning six months after the month on which the subsequent monthly indigent care payment amount is based. Medicare crossovers are excluded from indigent care payments and from the payments and admissions on which the indigent care payment is based. The commissioner may issue indigent care payments as disproportionate population adjustments for eligible hospitals.

(b) Effective for services rendered on or after July 1, 1991, the commissioner shall reimburse outpatient hospital facility fees at 80 percent of calendar year 1990 submitted charges, not to exceed the Medicare upper payment limit. Services excepted from this payment methodology are emergency room facility fees, clinic facility fees, and those services for which there is a federal maximum allowable payment.

Sec. 10. [CORRECTION 4.]

Laws 1991, chapter 298, article 7, section 9, is amended to read:

Sec. 9. [ADVISORY TASK FORCE ON PARATRANSIT.]

Subdivision 1. [CREATION; MEMBERSHIP.] The regional transit



board shall establish a paratransit advisory task force under section 15.059, subdivision 6, consisting of the following members:

(1) two members representing the regional transit board, appointed by the chair of the board;

(2) two members representing the department of human services, appointed by the commissioner of human services;

(3) one member representing the department of transportation, appointed by the commissioner of transportation;

(4) one member representing the metropolitan transit commission, appointed by the chair of the commission;

(5) one member representing the council on disability, appointed by the council;

(6) one member representing nonprofit providers, appointed by the commissioner of human services;

(7) one member representing for-profit providers, appointed by the commissioner of human services;

(8) one member representing the senior community, appointed by the commissioner of human services;

(9) one member representing the metropolitan area, appointed by the chair of the metropolitan council; and

(10) two members representing users of paratransit, appointed by the chair of the board.

The ~~committee~~ task force shall expire December 31, 1991.

Subd. 2. [ADMINISTRATION.] The regional transit board and the department of human services shall provide staff and administrative services for the ~~committee~~ task force. The organizations whose representatives are listed in subdivision 1, clauses (4) to (8), shall provide information, staff, and technical assistance for the ~~committee~~ task force as needed.

Subd. 3. [STUDIES.] The ~~committee~~ task force shall study the feasibility of consolidating and coordinating existing metro mobility service trips with existing department of human services medical assistance service trips in the metropolitan area. The ~~committee~~ task force shall consult affected persons and organizations not represented by members appointed under subdivision 1, including day training and rehabilitation centers, nursing homes, and intermediate care facilities for the mentally retarded.

Subd 4. [REPORT.] The commissioner of human services and the chair of the regional transit board shall jointly submit the report and recommendations to the legislature and the governor no later than December 31, 1991.

Subd. 5. [DEFINITION.] For the purposes of this section, "metropolitan area" has the meaning given it in Minnesota Statutes, section 473.121, subdivision 2.

Sec. 11. [CORRECTION 5.]

Minnesota Statutes 1991 Supplement, section 256I.05, subdivision 1b, is amended to read:

Subd. 1b. [RATES FOR UNCERTIFIED BOARDING CARE HOMES.] Effective July 1, 1992, the maximum rate for a boarding care home not certified to receive medical assistance is equal to 65 percent of the average nursing home level "A" rate in effect for the geographic area in which the boarding care home is located; ~~except that a facility's rate must not be reduced by more than ten percent for the year ending June 30, 1992.~~ This is effective until June 30, 1993. A noncertified boarding care home licensed under Minnesota Rules, parts 9520.0500 to 9520.0690, is exempt from this rate limit. The commissioner shall study the numbers of facilities and residents that will be affected by the limit in this subdivision, the number of facilities likely to close because of the limit, the available alternatives for affected residents, methods of relocating or securing alternative placements for residents, and other effects of the limit. The commissioner shall provide a report to the legislature by January 1, 1992, on the commissioner's findings and recommendations relating to the rate limit.

Sec. 12. [CORRECTION 6.]

Subdivision 1. [APPORTIONMENT OF NET INCOME.] Minnesota Statutes 1990, section 290.191, subdivision 4, is amended to read:

Subd. 4. [APPORTIONMENT FORMULA FOR CERTAIN MAIL ORDER BUSINESSES.] If the business consists exclusively of the selling of tangible personal property and services in response to orders received by United States mail or telephone, and 99 percent of the taxpayer's property and payroll is within Minnesota, then the taxpayer may apportion net income to Minnesota based solely upon the percentage that the sales made within this state in connection with the trade or business during the tax period are of the total sales wherever made in connection with the trade or business during the tax period. Property and payroll factors are disregarded. In determining eligibility for this subdivision;

(1) the sale not in the ordinary course of business of tangible or intangible assets used in conducting business activities must be disregarded; and

(2) property and payroll at a distribution center outside of Minnesota are disregarded if the sole activity at the distribution center is the filling of orders, and no solicitation of orders occurs at the distribution center.

Subd. 2. [EFFECTIVE DATE.] Subdivision 1 is effective for taxable years beginning after December 31, 1990.

Sec. 13. [CORRECTION 7.]

Subdivision 1. [CLASS 4C PROPERTY.] Minnesota Statutes 1991 Supplement, section 273.13, subdivision 25, is amended to read:

Subd. 25. [CLASS 4.] (a) Class 4a is residential real estate containing four or more units and used or held for use by the owner or by the tenants or lessees of the owner as a residence for rental periods of 30 days or more. Class 4a also includes hospitals licensed under sections 144.50 to 144.56, other than hospitals exempt under section 272.02, and contiguous property used for hospital purposes, without regard to whether the property has been platted or subdivided. Class 4a property has a class rate of 3.5 percent of market value for taxes payable in 1992, and 3.4 percent of market value for taxes payable in 1993 and thereafter.

(b) Class 4b includes:

(1) residential real estate containing less than four units, other than seasonal residential, and recreational;

(2) manufactured homes not classified under any other provision;

(3) a dwelling, garage, and surrounding one acre of property on a nonhomestead farm classified under subdivision 23, paragraph (b).

Class 4b property has a class rate of 2.8 percent of market value for taxes payable in 1992, 2.5 percent of market value for taxes payable in 1993, and 2.3 percent of market value for taxes payable in 1994 and thereafter.

(c) Class 4c property includes:

(1) a structure that is:

(i) situated on real property that is used for housing for the elderly or for low- and moderate-income families as defined in Title II, as amended through December 31, 1990, of the National Housing Act

or the Minnesota housing finance agency law of 1971 or rules promulgated by the agency and financed by a direct federal loan or federally insured loan made pursuant to Title II of the act; or

(ii) situated on real property that is used for housing the elderly or for low- and moderate-income families as defined by the Minnesota housing finance agency law of 1971, as amended, or rules adopted by the agency pursuant thereto and financed by a loan made by the Minnesota housing finance agency pursuant to the provisions of the act.

This clause applies only to property of a nonprofit or limited dividend entity. Property is classified as class 4c under this clause for 15 years from the date of the completion of the original construction or substantial rehabilitation, or for the original term of the loan.

(2) a structure that is:

(i) situated upon real property that is used for housing lower income families or elderly or handicapped persons, as defined in section 8 of the United States Housing Act of 1937, as amended; and

(ii) owned by an entity which has entered into a housing assistance payments contract under section 8 which provides assistance for 100 percent of the dwelling units in the structure, other than dwelling units intended for management or maintenance personnel. Property is classified as class 4c under this clause for the term of the housing assistance payments contract, including all renewals, or for the term of its permanent financing, whichever is shorter; and

(3) a qualified low-income building as defined in section 42(c)(2) of the Internal Revenue Code of 1986, as amended through December 31, 1990, that (i) receives a low-income housing credit under section 42 of the Internal Revenue Code of 1986, as amended through December 31, 1990; or (ii) meets the requirements of that section and receives public financing, except financing provided under sections 469.174 to 469.179, which contains terms restricting the rents; or (iii) meets the requirements of section 273.1317. Classification pursuant to this clause is limited to a term of 15 years.

For all properties described in clauses (1), (2), and (3) and in paragraph (d), the market value determined by the assessor must be based on the normal approach to value using normal unrestricted rents unless the owner of the property elects to have the property assessed under Laws 1991, chapter 291, article 1, section 55. If the owner of the property elects to have the market value determined on the basis of the actual restricted rents, as provided in Laws 1991, chapter 291, article 1, section 55, the property will be assessed at the rate provided for class 4a or class 4b property, as appropriate. Properties described in clauses (1)(ii), (3), and (4) may apply to the

assessor for valuation under Laws 1991, chapter 291, article 1, section 55. The land on which these structures are situated has the class rate given in paragraph (b) if the structure contains fewer than four units, and the class rate given in paragraph (a) if the structure contains four or more units. This clause applies only to the property of a nonprofit or limited dividend entity.

(4) a parcel of land, not to exceed one acre, and its improvements or a parcel of unimproved land, not to exceed one acre, if it is owned by a neighborhood real estate trust and at least 60 percent of the dwelling units, if any, on all land owned by the trust are leased to or occupied by lower income families or individuals. This clause does not apply to any portion of the land or improvements used for nonresidential purposes. For purposes of this clause, a lower income family is a family with an income that does not exceed 65 percent of the median family income for the area, and a lower income individual is an individual whose income does not exceed 65 percent of the median individual income for the area, as determined by the United States Secretary of Housing and Urban Development. For purposes of this clause, "neighborhood real estate trust" means an entity which is certified by the governing body of the municipality in which it is located to have the following characteristics:

(a) it is a nonprofit corporation organized under chapter 317A;

(b) it has as its principal purpose providing housing for lower income families in a specific geographic community designated in its articles or bylaws;

(c) it limits membership with voting rights to residents of the designated community; and

(d) it has a board of directors consisting of at least seven directors, 60 percent of whom are members with voting rights and, to the extent feasible, 25 percent of whom are elected by resident members of buildings owned by the trust; and

(5) except as provided in subdivision 22, paragraph (c), real property devoted to temporary and seasonal residential occupancy for recreation purposes, including real property devoted to temporary and seasonal residential occupancy for recreation purposes and not devoted to commercial purposes for more than 250 days in the year preceding the year of assessment. For purposes of this clause, property is devoted to a commercial purpose on a specific day if any portion of the property is used, or available for use for residential occupancy, and a fee is charged for residential occupancy. Class 4c also includes commercial use real property used exclusively for recreational purposes in conjunction with class 4c property devoted to temporary and seasonal residential occupancy for recreational purposes, up to a total of two acres, provided the property is not devoted to commercial recreational use for more than 250 days in the

year preceding the year of assessment and is located within two miles of the class 4c property with which it is used. Class 4c property classified in this clause also includes the remainder of class 1c resorts;

(6) real property up to a maximum of one acre of land owned by a nonprofit community service oriented organization; provided that the property is not used for a revenue-producing activity for more than six days in the calendar year preceding the year of assessment and the property is not used for residential purposes on either a temporary or permanent basis. For purposes of this clause, a "nonprofit community service oriented organization" means any corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious, fraternal, civic, or educational purposes, and which is exempt from federal income taxation pursuant to section 501(c)(3), (10), or (19) of the Internal Revenue Code of 1986, as amended through December 31, 1990. For purposes of this clause, "revenue-producing activities" shall include but not be limited to property or that portion of the property that is used as an on-sale intoxicating liquor or nonintoxicating malt liquor establishment licensed under chapter 340A, a restaurant open to the public, bowling alley, a retail store, gambling conducted by organizations licensed under chapter 349, an insurance business, or office or other space leased or rented to a lessee who conducts a for-profit enterprise on the premises. Any portion of the property which is used for revenue-producing activities for more than six days in the calendar year preceding the year of assessment shall be assessed as class 3a. The use of the property for social events open exclusively to members and their guests for periods of less than 24 hours, when an admission is not charged nor any revenues are received by the organization shall not be considered a revenue-producing activity;

(7) post-secondary student housing of not more than one acre of land that is owned by a nonprofit corporation organized under chapter 317A and is used exclusively by a student cooperative, sorority, or fraternity for on-campus housing or housing located within two miles of the border of a college campus; and

(8) manufactured home parks as defined in section 327.14, subdivision 3.

Class 4c property has a class rate of 2.3 percent of market value, except that seasonal residential recreational property not used for commercial purposes under clause (5) has a class rate of 2.2 percent of market value for taxes payable in 1992, and for taxes payable in 1993 and thereafter, the first \$72,000 of market value has a class rate of two percent and the market value that exceeds \$72,000 has a class rate of 2.5 percent.

(d) Class 4d property includes:

(1) a structure that is:

(i) situated on real property that is used for housing for the elderly or for low and moderate income families as defined by the Farmers Home Administration;

(ii) located in a municipality of less than 10,000 population; and

(iii) financed by a direct loan or insured loan from the Farmers Home Administration. Property is classified under this clause for 15 years from the date of the completion of the original construction or for the original term of the loan.

The class rates in paragraph (c), clauses (1), (2), and (3) and this clause apply to the properties described in them, only in proportion to occupancy of the structure by elderly or handicapped persons or low and moderate income families as defined in the applicable laws unless construction of the structure had been commenced prior to January 1, 1984; or the project had been approved by the governing body of the municipality in which it is located prior to June 30, 1983; or financing of the project had been approved by a federal or state agency prior to June 30, 1983. Classification under this clause is only available to property of a nonprofit or limited dividend entity.

(2) For taxes payable in 1992, 1993 and 1994, only, buildings and appurtenances, together with the land upon which they are located, leased by the occupant under the community lending model lease-purchase mortgage loan program administered by the Federal National Mortgage Association, provided the occupant's income is no greater than 60 percent of the county or area median income, adjusted for family size and the building consists of existing single family or duplex housing. The lease agreement must provide for a portion of the lease payment to be escrowed as a nonrefundable down payment on the housing. To qualify under this clause, the taxpayer must apply to the county assessor by May 30 of each year. The application must be accompanied by an affidavit or other proof required by the assessor to determine qualification under this clause.

(3) For taxes payable in 1992, 1993 and 1994, only, federally acquired buildings under four units and appurtenances, together with the land upon which they are located that is leased to a nonprofit corporation organized under chapter 317A that qualifies for tax exempt status under United States Code, title 26, section 501(c), or a housing and redevelopment authority authorized under sections 469.001 to 469.047; the purpose of the lease must be to allow the nonprofit corporation to provide transitional housing for homeless persons under the program established in Code of Federal Regulations, title 55, section 49489. As used in this clause, "transitional housing" has the meaning given in section 268.38, subdivision 1, except that the two-year restriction does not apply. If the

property is purchased from the federal government by the nonprofit corporation for the purpose of continuing to provide transitional housing after the expiration of the lease, the property shall continue to be eligible for this classification. To qualify under this clause, the taxpayer must apply to the county assessor by May 30 of each year. The application must be accompanied by an affidavit or other proof required by the county assessor to determine qualification under this clause. Property qualifying under this clause in 1992, 1993, or 1994 continues to receive a two percent class rate until the five-year lease has expired provided that the property continues to be used for the purposes as described in this clause.

Class 4d property has a class rate of two percent of market value.

(e) Residential rental property that would otherwise be assessed as class 4 property under paragraph (a); paragraph (b), clauses (1) and (3); paragraph (c), clause (1), (2), (3), or (4), is assessed at the class rate applicable to it under Minnesota Statutes 1988, section 273.13, if it is found to be a substandard building under section 273.1316. Residential rental property that would otherwise be assessed as class 4 property under paragraph (d) is assessed at 2.3 percent of market value if it is found to be a substandard building under section 273.1316.

Subd. 2. [EFFECTIVE DATE.] Subdivision 1 is effective for taxes levied in 1991, payable in 1992, and thereafter.

Sec. 14. [CORRECTION 11.]

Minnesota Statutes 1991 Supplement, section 469.101, subdivision 23, is amended to read:

Subd. 23. [SUPPLYING SMALL BUSINESS CAPITAL.] Notwithstanding any contrary law, the authority may participate with public or private corporations or other entities, whose purpose is to provide seed or venture capital to small businesses that have facilities located or to be located in the district. For that purpose the authority may use not more than ~~ten~~ ten percent of available annual net income or ~~\$1,000,000~~ \$1,000,000 annually, whichever is less, to invest in equities or acquire equity-type investments. These investments can be made directly in eligible corporations or entities or acquired through participation in a public or private seed or venture capital fund. The participation by the authority may not exceed in any year 25 percent of the total amount of funds provided for venture or seed capital purposes by all of the participants. The corporation, entity, or fund shall report in writing each six months to the commissioners of the authority all investments and other action taken by it since the last report. Funds contributed to the corporation or entity must be invested pro rata with each contributor of capital taking proportional risks on each investment. As used in this subdivision, the



term "small business" has the meaning given it in section 645.445, subdivision 2.

**Sec. 15. [CORRECTION 14.]**

**Subdivision 1.** The amendment to Minnesota Statutes 1990, section 92.67, subdivision 1, made by Laws 1991, chapter 254, article 2, section 23, is of no effect.

**Subd. 2.** Minnesota Statutes 1990, section 92.46, subdivision 1, is amended to read:

**Subdivision 1. [PUBLIC CAMPGROUNDS.]** (a) The director may designate suitable portions of the state lands withdrawn from sale and not reserved, as provided in section 92.45, as permanent state public campgrounds. The director may have the land surveyed and platted into lots of convenient size, and lease them for cottage and camp purposes under terms and conditions the director prescribes, subject to the provisions of this section.

(b) A lease may not be for a term more than 20 years. The lease may allow renewal, from time to time, for additional terms of no longer than 20 years each. The lease may be canceled by the commissioner 90 days after giving the person leasing the land written notice of violation of lease conditions. The lease rate shall be based on the appraised value of leased land as determined by the commissioner of natural resources and shall be adjusted by the commissioner at the fifth, tenth, and 15th anniversary of the lease, if the appraised value has increased or decreased. For leases that are renewed in 1991 and following years, the lease rate shall be five percent of the appraised value of the leased land. The appraised value shall be the value of the leased land without any private improvements and must be comparable to similar land without any improvements within the same county. The minimum appraised value that the commissioner assigns to the leased land must be substantially equal to the county assessor's estimated market value of similar land adjusted by the assessment/sales ratio as determined by the department of revenue.

(c) By July 1, 1986, the commissioner of natural resources shall adopt rules under chapter 14 to establish procedures for leasing land under this section. The rules shall be subject to review and approval by the commissioners of revenue and administration prior to the initial publication pursuant to chapter 14 and prior to their final adoption. The rules must address at least the following:

- (1) method of appraising the property; and
- (2) an appeal procedure for both the appraised values and lease rates.

(d) All money received from these leases must be credited to the fund to which the proceeds of the land belong.

Notwithstanding section 16A.125 or any other law to the contrary, 50 percent of the money received from the lease of permanent school fund lands leased pursuant to this subdivision shall be deposited into the permanent school trust fund. However, in fiscal years 1987, 1988, 1989, 1990, 1991, and 1992, 1993, and 1994, the money received from the lease of permanent school fund lands that would otherwise be deposited into the permanent school fund is hereby appropriated to survey, appraise, and pay associated selling costs of lots as required in section 92.67, subdivision 3. The money appropriated may not be used to pay the cost of surveying lots not scheduled for sale. Any money designated for deposit in the permanent school fund that is not needed to survey, appraise, and pay associated selling costs of lots, as required in section 92.67, shall be deposited in the permanent school fund. The commissioner shall add to the appraised value of any lot offered for sale the costs of surveying, appraising, and selling the lot, and shall first deposit into the permanent school fund an amount equal to the costs of surveying, appraising, and selling any lot paid out of the permanent school fund. Any remaining money shall be deposited into any other contributing funds in proportion to the contribution from each fund. In no case may the commissioner add to the appraised value of any lot offered for sale an amount more than \$700 for the costs of surveying and appraising the lot.

Sec. 16. [CORRECTION 12.]

Laws 1991, chapter 345, article 1, section 17, subdivision 3, is amended to read:

Subd. 3. Intertechnologies Group

10,954,000      5,431,000

SUMMARY BY FUND

General	6,794,000	5,494,000	1,271,000
Special Revenue		4,160,000	4,160,000

The appropriation from the special revenue fund is for recurring costs of 911 emergency telephone service.

\$3,900,000 is appropriated as a loan from the general fund to the STARS revolving fund. This amount shall be repaid before the end of the biennium. Notwithstanding any law to the con-

rary, the commissioner of administration shall have authority to transfer contributed capital between department of administration internal service or enterprise funds. Notwithstanding any other law to the contrary, the commissioner of administration may, with the approval of the commissioner of finance, make loans from an internal service or enterprise fund to another internal service or enterprise fund.

\$150,000 the first year is for the commissioner of the department of administration and the STARS staff to conduct a study to develop models for the use of STARS telecommunications regions under joint powers or other agreements. The models shall be used to:

(1) coordinate development of applications or programs that combine the needs of education, state and local governments, or other public sector users of STARS services;

(2) determine the local telecommunications approaches that work best to distribute applications or programs transported by STARS within the region; and

(3) identify needs for shared video facilities and develop agreements and ways to prioritize or schedule their use equitably.

The study shall focus on current and future telecommunications needs that result from joint activities of STARS customers in the two telecommunications regions that will be served by STARS from Duluth and Rochester and shall describe pilot projects that could be used to validate the study findings.

The study shall be submitted to the appropriate committees of the legislature by December 31, 1991.

\$201,100 the first year and \$205,800 the second year must be subtracted from the amount that would otherwise be payable to local government aid under Minnesota Statutes, chapter 477A, in order to fund the local government records program and the intergovernmental information systems activity.

Sec. 17. [CORRECTION 13.]

Laws 1991, chapter 345, article 1, is amended by adding a section to read:

Sec. 119. [EFFECTIVE DATE.]

Sections 91 and 117, subdivision 6, are effective January 1, 1993.

Sec. 18. Laws 1991, chapter 292, article 1, section 6, subdivision 2, is amended to read:

Subd. 2. [COMMUNITY SERVICES.]

40,043,000      40,329,000

The commissioner of finance shall adjust the base for the county probation reimbursement program, described in Minnesota Statutes, section 260.311, subdivision 5, to a level that allows the state to maintain a 50 percent reimbursement level to counties for the biennium beginning July 1, 1993.

During the biennium ending June 30, 1993, whenever offenders are assigned for the purpose of work under agreement with a state department or agency, local unit of government, or other government subdivision, the state department or agency, local unit of government, or other government subdivision must certify to the appropriate bargaining agent that the work performed by inmates will not result in the displacement of currently employed workers or workers on seasonal layoff or layoff from a substantially equivalent position, including partial dis-

placement such as reduction in hours of nonovertime work, wages, or other employment benefits.

Notwithstanding Minnesota Statutes, section 609.105 or any other provision of law to the contrary, a felony offender sentenced in a community corrections act county may not be committed to the custody of the commissioner of corrections under an executed sentence of imprisonment if the time remaining in the offender's sentence, minus credit for prior imprisonment, is 60 days or less unless the offender's sentence was presumptively executed under the sentencing guidelines. Notwithstanding any provision of law to the contrary, these offenders may be sentenced to imprisonment in a local jail or workhouse. This does not apply provision applies to offenders whose sentences were executed at the time of sentencing and to offenders whose sentences were executed after revocation of a stayed felony sentence.

Sec. 19. [CORRECTION 20.]

Minnesota Statutes 1990, section 490.123, is amended by adding a subdivision to read:

Subd. 1c. [ADDITIONAL EMPLOYER CONTRIBUTION.] In the event that the employer contribution under subdivision 1b and the assets of the judges retirement fund are insufficient to meet reserve transfers to the Minnesota postretirement investment fund or payments of survivor benefits before July 1, 1993, the necessary amount is appropriated from the general fund to the executive director of the Minnesota state retirement system, upon certification by the executive director to the commissioner of finance.

Sec. 20. [CORRECTION 21.]

Subdivision 1. [SALES TAX; OCCASIONAL SALES.] Minnesota Statutes 1991 Supplement, section 297A.25, subdivision 12, is amended to read:

Subd. 12. [OCCASIONAL SALES.] (a) The gross receipts from the isolated or occasional sale of tangible personal property in Minnesota not made in the normal course of business of selling that kind

of property, and the storage, use, or consumption of property acquired as a result of such a sale are exempt.

(b) This exemption does not apply to sales of tangible personal property primarily used in a trade or business unless (1) the sale occurs in a transaction subject to or described in section 118, 331, 332, 336, 337, 338, 351, 355, 368, 721, 731, 1031, or 1033 of the Internal Revenue Code of 1986, as amended through December 31, 1990; ~~or~~; (2) the sale is between members of an affiliated group as defined in section 1504(a) of the Internal Revenue Code of 1986, as amended through December 31, 1990; (3) the sale is a sale of farm machinery; (4) the sale is a farm auction sale; or (5) the sale is a sale of substantially all of the assets of a trade or business conducted by an individual or by a partnership all of the partners of which are individuals.

For purposes of this subdivision, a "farm auction" is a public auction conducted by a licensed auctioneer if substantially all of the property sold consists of property used in the trade or business of farming and property not used primarily in a trade or business.

Subd. 2. [EFFECTIVE DATE.]

Subdivision 1 is effective retroactive for sales made after June 30, 1991. No refunds of tax may be paid under this section except as provided in this subdivision. A purchaser must file a claim for refund containing the information required in section 289A.50 and any other information required by the commissioner, including receipts or other proof of payment. A purchaser is considered a taxpayer for purposes of section 289A.50. Notwithstanding section 289A.50, subdivision 2, a vendor who has collected a tax from the purchaser may not claim a refund under this section.

## ARTICLE 2

### CORRECTIONS, EDUCATION FUNDING

Section 1. [CORRECTION AA.]

Laws 1991, chapter 265, article 6, section 67, subdivision 1, is amended to read:

Sec. 67. [REPEALER.]

Subdivision 1. [JULY 1, 1991.] Minnesota Statutes 1990, sections 124C.02; 136D.27, subdivision 1; 136D.74, subdivision 2; 136D.76, subdivision 3; 136D.87, subdivision 1; and 275.125, subdivisions subdivision 8d, are repealed.

Sec. 2. [CORRECTION CC.]

Minnesota Statutes 1991 Supplement, section 136D.90, subdivision 2, is repealed.

Sec. 3. [CORRECTION GG.]

Minnesota Statutes 1991 Supplement, section 126.22, subdivision 8, is amended to read:

Subd. 8. [ENROLLMENT VERIFICATION.] For a pupil attending an eligible program full time under subdivision 3, paragraph (d), the department of education shall pay 88 percent of the basic revenue of the district to the eligible program and 12 percent of the basic revenue to the resident district within 30 days after the eligible program verifies enrollment using the form provided by the department. For a pupil attending an eligible program part time, basic revenue shall be reduced proportionately, according to the amount of time the pupil attends the program, and the payments to the eligible program and the resident district shall be reduced accordingly. A pupil for whom payment is made according to this section may not be counted by any district for any purpose other than computation of basic revenue, according to section 124A.22, subdivision 2. If payment is made for a pupil under this subdivision, a school district shall not reimburse a program under section 126.23 for the same pupil.

Sec. 4. [CORRECTION HH.]

Laws 1991, chapter 265, article 4, section 34, is amended to read:

Sec. 34. [EFFECTIVE DATE.]

Section 10, subdivision 4, is effective July 1, 1991. Section 10, subdivisions 1, 2, 3, 5, 6, and 7, are effective July 1, 1992. Reimbursements according to Section 11 are available is effective July 1, 1992.

Sec. 5. [CORRECTION JJ.]

Minnesota Statutes 1991 Supplement, section 124.2615, subdivision 1, is amended to read:

Subdivision 1. [PROGRAM REVIEW AND APPROVAL.] By February 15, ~~1991~~ 1992, for the 1991-1992 school year or by January 1 of subsequent school years, a district must submit to the commissioners of education, health, human services, and jobs and training:

- (1) a description of the services to be provided;
- (2) a plan to ensure children at greatest risk receive appropriate services;

(3) a description of procedures and methods to be used to coordinate public and private resources to maximize use of existing community resources, including school districts, health care facilities, government agencies, neighborhood organizations, and other resources knowledgeable in early childhood development;

(4) comments about the district's proposed program by the advisory council required by section 121.831, subdivision 7; and

(5) agreements with all participating service providers.

Each commissioner may review and comment on the program, and make recommendations to the commissioner of education, within 30 days of receiving the plan.

#### Sec. 6. [CORRECTION MM.]

Minnesota Statutes 1991 Supplement, section 122.895, subdivision 5, is amended to read:

Subd. 5. [RIGHTS OF OTHER TEACHERS UPON DISSOLUTION.] (a) This subdivision applies to a teacher who:

(1) has a continuing contract with the cooperative; and

(2) either did not have a continuing contract with any member district or does not return to a member district according to the procedures set forth in subdivision 4, paragraph (b).

(b) By May 10 of the school year in which the cooperative provides the notice required by subdivision 3, clause (1), the cooperative shall provide to each teacher described in subdivision 4 and this subdivision a written notice of available teaching positions in any member district to which the cooperative was providing services at the time of dissolution. Available teaching positions are all teaching positions that, during the school year following dissolution:

(1) are positions for which the teacher is licensed; and

(2) are not assigned to a continuing contract teacher employed by a member school district after any reasonable realignments which may be necessary under the applicable provisions of section 125.12, subdivision 6a or 6b, to accommodate the seniority rights of teachers employed by the member district.

(c) On or before June 1 of the school year in which the cooperative provides the notice required by subdivision 3, clause (1), any teacher wishing to do so must file with the school board a written notice of the teacher's intention to exercise the teacher's rights to an available



teaching position. Available teaching positions shall be offered to teachers in order of their seniority within the dissolved cooperative.

(d) Paragraph (e) applies to:

(1) a district that was a member of a dissolved cooperative; or

(2) any other district that, except as a result of open enrollment according to section 120.062, provides essentially the same instruction provided by the dissolved cooperative to pupils enrolled in a former member district.

(e) For five years following dissolution of a cooperative, a district to which this subdivision paragraph applies may not appoint a new teacher or assign a probationary or provisionally licensed teacher to any position requiring licensure in a field in which the dissolved cooperative provided instruction until the following conditions are met:

(1) a district to which this subdivision paragraph applies has provided each teacher formerly employed by the dissolved cooperative, who holds the requisite license, written notice of the position; and

(2) no teacher holding the requisite license has filed a written request to be appointed to the position with the school board within 30 days of receiving the notice.

If no teacher files a request according to clause (2), the district may fill the position as it sees fit. During any part of the school year in which dissolution occurs and the first school year following dissolution, a teacher may file a request for an appointment according to this paragraph regardless of prior contractual commitments with other member districts. Available teaching positions shall be offered to teachers in order of their seniority on a combined seniority list of the teachers employed by the cooperative and the appointing district.

(f) A teacher appointed according to this subdivision is not required to serve a probationary period. The teacher shall receive credit on the appointing district's salary schedule for the teacher's years of continuous service under contract with the cooperative and the member district and the teacher's educational attainment at the time of appointment or shall receive a comparable salary, whichever is less. The teacher shall receive credit for accumulations of sick leave and rights to severance benefits as if the teacher had been employed by the member district during the teacher's years of employment by the cooperative.

Sec. 7. [EFFECTIVE DATE.]

The amendments made by corrections AA, GG, and JJ are effective July 1, 1991."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Appropriations to which was referred:

S. F. No. 1612, A bill for an act relating to human services; temporarily removing the time limit on work readiness assistance.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Anderson, I., from the Committee on Local Government and Metropolitan Affairs to which was referred:

S. F. No. 1622, A bill for an act relating to the Minneapolis park and recreation board; providing for two members appointed by the Minneapolis park and recreation board on the Minneapolis reapportionment commission; establishing standards for park board redistricting.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

## SECOND READING OF SENATE BILLS

S. F. Nos. 1598, 11, 1562, 1612 and 1622 were read for the second time.

**INTRODUCTION AND FIRST READING  
OF HOUSE BILLS**

The following House Files were introduced:

Welker, Peterson and Frederick introduced:

H. F. No. 1855, A bill for an act relating to animals; defining the responsibilities and limiting the tort liability of persons organizing, promoting, presenting, or providing certain equestrian activities; proposing coding for new law as Minnesota Statutes, chapter 240B.

The bill was read for the first time and referred to the Committee on Judiciary.

Hanson, Vellenga and Orfield introduced:

H. F. No. 1856, A bill for an act relating to driving while intoxicated; appropriating money for intensive probation programs for repeat DWI offenders.

The bill was read for the first time and referred to the Committee on Judiciary.

Bauerly; Lasley; Nelson, K.; Kelso and McEachern introduced:

H. F. No. 1857, A bill for an act relating to education; providing for an open and standing appropriation for debt service equalization aid; appropriating money for debt service equalization aid for school districts; proposing coding for new law in Minnesota Statutes, chapter 124.

The bill was read for the first time and referred to the Committee on Education.

Kahn, Greenfield, Dauner, Bishop and Rice introduced:

H. F. No. 1858, A bill for an act relating to traffic regulations; requiring all motorcycle operators and passengers to wear protective helmets; repealing restrictions on admissibility of evidence of not using protective helmet; amending Minnesota Statutes 1990, section 169.974, subdivision 4; repealing Minnesota Statutes 1990, section 169.974, subdivision 6.

The bill was read for the first time and referred to the Committee on Judiciary.

Tunheim, Sparby and Trimble introduced:

H. F. No. 1859, A bill for an act relating to motor vehicles; authorizing special license plates for vehicles owned by volunteer ambulance drivers; amending Minnesota Statutes 1990, section 168.12, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Transportation.

Wenzel and Hasskamp introduced:

H. F. No. 1860, A bill for an act relating to counties; permitting county offices to be filled by special election; amending Minnesota Statutes 1990, sections 375.08; and 375.101, subdivision 1.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Jefferson, Kahn and Wejcman introduced:

H. F. No. 1861, A bill for an act relating to state lands; providing for the release of a state interest in certain property in the city of Minneapolis.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Jefferson and Wejcman introduced:

H. F. No. 1862, A bill for an act relating to the city of Minneapolis; extending authority to guarantee certain loans; amending Laws 1988, chapter 594, section 6.

The bill was read for the first time and referred to the Committee on Economic Development.

Heir, Koppendrayner, Runbeck and McPherson introduced:

H. F. No. 1863, A bill for an act relating to lawful gambling; authorizing expenditures on facilities and activities for persons age 55 or over as a lawful purpose; amending Minnesota Statutes 1991 Supplement, section 349.12, subdivision 25.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Omann introduced:

H. F. No. 1864, A bill for an act relating to education; requiring transportation of nonresident pupils to a nonpublic school in the district on request; amending Minnesota Statutes 1990, section 123.78, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Education.

Pelowski; Battaglia; Johnson, A.; McEachern and Thompson introduced:

H. F. No. 1865, A bill for an act relating to education; requiring the graduation rule to be authorized by law.

The bill was read for the first time and referred to the Committee on Education.

Mariani; Anderson, R.; Jefferson; Segal and Jaros introduced:

H. F. No. 1866, A bill for an act relating to human services; temporarily removing the time limit on work readiness assistance.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Dawkins, Carlson, Orenstein, Murphy and Rice introduced:

H. F. No. 1867, A bill for an act relating to human services; temporarily removing the time limit on work readiness assistance.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Johnson, R.; Reding; Knickerbocker; O'Connor and Simoneau introduced:

H. F. No. 1868, A bill for an act relating to public employment; providing an early retirement incentive for certain public employees; amending Minnesota Statutes 1990, section 275.125, by adding a subdivision; Minnesota Statutes 1991 Supplement, section 275.50, subdivision 5.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Johnson, A.; Milbert; Runbeck and Pugh introduced:

H. F. No. 1869, A bill for an act relating to education; restricting intermediate district revenue to members of intermediate school districts; modifying and clarifying procedures for withdrawal from membership in intermediate districts; eliminating state approval in certain circumstances; authorizing intermediate districts to levy to restore one year's revenue reduction; repealing intermediate district revenue for school districts; amending Minnesota Statutes 1990, section 136D.75; Minnesota Statutes 1991 Supplement, sections 124.2727, subdivision 6; 136D.22, subdivision 3; 136D.71, subdivision 2; 136D.76, subdivision 2; and 136D.82, subdivision 3; repealing Minnesota Statutes 1990, section 136D.76, subdivision 3; Minnesota Statutes 1991 Supplement, sections 124.2727, subdivisions 1, 2, 3, 4, and 5; and 136D.90, subdivision 2.

The bill was read for the first time and referred to the Committee on Education.

Gruenes, Stanius, Leppik, Heir and Lynch introduced:

H. F. No. 1870, A bill for an act relating to health care; providing access to affordable health care; regulating coverages; establishing premium supplements; initiating health care reform procedures; creating a commission and various advisory committees; regulating small employer health benefits; establishing revenue mechanisms including appropriations and taxes; appropriating money; amending Minnesota Statutes 1990, sections 60A.15, subdivision 1; 136A.1355, subdivisions 2 and 3; 290.01, subdivision 19b; 297.02, by adding a subdivision; and 297.13, subdivision 1; Minnesota Statutes 1991 Supplement, sections 62A.31, subdivision 1; and 297.03, subdivision 5; proposing coding for new law in Minnesota Statutes, chapters 62E; 62J; 136A; 144; 144A; and 145; proposing coding for new law as Minnesota Statutes, chapter 62K; repealing Minnesota Statutes 1990, sections 144.1465; and 144.147, subdivisions 1, 2, 3, and 4.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Dorn introduced:

H. F. No. 1871, A bill for an act relating to retirement; teachers retirement association; authorizing the recomputation of a certain period certain annuity option.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Solberg, Kinkel, Janezich, Kahn and Bishop introduced:

H. F. No. 1872, A bill for an act relating to commerce; regulating innkeepers; prohibiting innkeepers from removing, or failing to admit, guests based on age if the guest is not a minor; amending Minnesota Statutes 1990, section 327.73, subdivision 4.

The bill was read for the first time and referred to the Committee on Commerce.

Reding, Ogren, Skoglund, Long and Knickerbocker introduced:

H. F. No. 1873, A bill for an act relating to public employment; requiring public employers to include certain former employees in the same insurance pool as active employees; amending Minnesota Statutes 1990, sections 43A.27, subdivision 3; and 471.61, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Carruthers, McGuire, Wagenius, Long and Swenson introduced:

H. F. No. 1874, A bill for an act relating to crimes; imposing a felony penalty for a third impaired driving conviction; expanding the offenses of criminal vehicular homicide and injury to include negligent driving under license revocation, suspension, or cancellation for an impaired driving conviction, or without insurance; amending Minnesota Statutes 1990, sections 169.121, subdivision 3; and 609.21, subdivisions 1, 2, 2a, 3, and 4.

The bill was read for the first time and referred to the Committee on Judiciary.

### CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Simoneau requested immediate consideration of S. F. No. 1621.

S. F. No. 1621, A bill for an act relating to education; University of Minnesota; appropriating money for the institute of technology and system specials.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Kelso	O'Connor	Segal
Anderson, I.	Frerichs	Kinkel	Ogren	Simoneau
Anderson, R.	Garcia	Knickerbocker	Olsen, S.	Skoglund
Battaglia	Girard	Koppendrayer	Olson, E.	Smith
Bauerly	Goodno	Krambeer	Olson, K.	Solberg
Beard	Greenfield	Krinkie	Omann	Sparby
Begich	Gruenes	Krueger	Onnen	Stanius
Bertram	Gutknecht	Lasley	Orenstein	Steensma
Bettermann	Hanson	Leppik	Orfield	Sviggum
Bishop	Hartle	Lieder	Osthoff	Swenson
Blatz	Hasskamp	Limmer	Ostrom	Tompson
Bodahl	Haukoos	Lourey	Ozment	Tompkins
Boo	Hausman	Lynch	Pellow	Trimble
Brown	Heir	Macklin	Pelowski	Tunheim
Carlson	Henry	Mariani	Peterson	Uphus
Carruthers	Hufnagle	Marsh	Pugh	Valento
Clark	Hugoson	McEachern	Reding	Vellenga
Cooper	Jacobs	McGuire	Rest	Wagenius
Dauner	Janezich	McPherson	Rice	Waltman
Davids	Jaros	Milbert	Rodosovich	Weaver
Dawkins	Jefferson	Morrison	Rukavina	Wejcman
Dempsey	Jennings	Munger	Runbeck	Welker
Dille	Johnson, A.	Murphy	Sarna	Welle
Dorn	Johnson, R.	Nelson, K.	Schafer	Wenzel
Erhardt	Johnson, V.	Nelson, S.	Schreiber	Winter
Farrell	Kahn	Newinski	Seaberg	Spk. Long

Those who voted in the negative were:

Kalis

The bill was passed and its title agreed to.

Welle moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

## MOTIONS AND RESOLUTIONS

Osthoff moved that the name of Bishop be added as an author on H. F. No. 680. The motion prevailed.



Uphus moved that the name of Waltman be added as an author on H. F. No. 1737. The motion prevailed.

Carlson moved that the name of Morrison be stricken and the name of Orenstein be added as an author on H. F. No. 1740. The motion prevailed.

Runbeck moved that the name of Dille be stricken and the name of Koppendrayner be added as an author on H. F. No. 1815. The motion prevailed.

Wenzel moved that the words "by request" be added after his name as author on H. F. No. 1818. The motion prevailed.

Onnen moved that the names of Smith and Erhardt be added as authors on H. F. No. 1828. The motion prevailed.

#### SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Solberg moved that the rule therein be suspended and an urgency be declared so that S. F. No. 11 now on Technical General Orders, be given its third reading and be placed upon its final passage.

A roll call was requested and properly seconded.

The question was taken on the Solberg motion and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Erhardt	Johnson, A.	Milbert	Rice
Anderson, I.	Farrell	Johnson, R.	Morrison	Rodosovich
Anderson, R.	Frederick	Johnson, V.	Munger	Runbeck
Anderson, R. H.	Frerichs	Kahn	Murphy	Sarna
Battaglia	Garcia	Kalis	Nelson, S.	Schafer
Bauerly	Girard	Kelso	Newinski	Schreiber
Beard	Goodno	Kinkel	O'Connor	Seaberg
Begich	Greenfield	Knickerbocker	Ogren	Segal
Bertram	Gruenes	Koppendrayner	Olsen, S.	Simoneau
Bettermann	Gutknecht	Krambeer	Olsen, E.	Skoglund
Blatz	Hanson	Krinkie	Olson, K.	Smith
Bodahl	Hartle	Krueger	Omann	Solberg
Boo	Hasskamp	Lasley	Onnen	Sparby
Brown	Haukoos	Leppik	Orenstein	Stanius
Carlson	Hausman	Lieder	Orfield	Steenma
Carruthers	Heir	Limmer	Osthoff	Svigum
Clark	Henry	Lourey	Ostrom	Swenson
Cooper	Hufnagle	Lynch	Ozment	Thompson
Dauner	Hugoson	Macklin	Pellow	Tompkins
Davids	Jacobs	Mariani	Pelowski	Trimble
Dawkins	Janezich	Marsh	Peterson	Tunheim
Dempsey	Jaros	McEachern	Pugh	Uphus
Dille	Jefferson	McGuire	Reding	Valento
Dorn	Jennings	McPherson	Rest	Vellenga

Wagenius  
Waltman

Weaver  
Wejzman

Welker  
Welle

Wenzel  
Winter

Spk. Long

The motion prevailed.

Solberg moved that the Rules of the House be so far suspended that S. F. No. 11 be given its third reading and be placed upon its final passage. The motion prevailed.

S. F. No. 11, A bill for an act relating to crimes; controlled substances; increasing penalties for sale or possession of powder cocaine to be identical to the penalties for sale or possession of cocaine base; amending the definition of sale to include possession with intent to sell; amending Minnesota Statutes 1990, sections 152.01, subdivision 15a, and by adding a subdivision; 152.021, subdivision 2; 152.022, subdivision 2; 152.025, subdivision 2; Minnesota Statutes 1991 Supplement, sections 152.01, subdivision 20; 152.021, subdivision 1; 152.022, subdivision 1; and 152.023, subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 4 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Knickerbocker	Olson, E.	Smith
Anderson, I.	Frerichs	Koppendrayner	Olson, K.	Solberg
Anderson, R.	Garcia	Krambeer	Omann	Sparby
Anderson, R. H.	Girard	Krinkie	Onnen	Stanius
Battaglia	Goodno	Krueger	Orenstein	Steenasma
Bauerly	Greenfield	Lasley	Orfield	Svigum
Beard	Gruenes	Leppik	Osthoff	Swenson
Begich	Gutknecht	Lieder	Ostrom	Thompson
Bertram	Hanson	Limmer	Ozment	Tompkins
Bettermann	Hartle	Lourey	Pellow	Trimble
Bishop	Hasskamp	Lynch	Pelowski	Tunheim
Blatz	Haukoos	Macklin	Peterson	Uphus
Bodahl	Heir	Marsh	Pugh	Valento
Boo	Henry	McEachern	Reding	Vellenga
Brown	Hufnagle	McGuire	Rest	Wagenius
Carlson	Hugoson	McPherson	Rice	Waltman
Carruthers	Jacobs	Milbert	Rodosovich	Weaver
Clark	Janezich	Morrison	Rukavina	Wejzman
Cooper	Jefferson	Munger	Runbeck	Welker
Dauner	Jennings	Murphy	Sarna	Welle
Davids	Johnson, A.	Nelson, K.	Schafer	Wenzel
Dempsey	Johnson, R.	Nelson, S.	Schreiber	Winter
Dille	Johnson, V.	Newinski	Seaberg	Spk. Long
Dorn	Kalis	O'Connor	Segal	
Erhardt	Kelso	Ogren	Simoneau	
Farrell	Kinkel	Olsen, S.	Skoglund	

Those who voted in the negative were:

Dawkins            Jaros            Kahn            Mariani

The bill was passed and its title agreed to.

CALL OF THE HOUSE

On the motion of Welle and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Abrams	Frederick	Kalis	O'Connor	Segal
Anderson, I.	Frerichs	Kelso	Ogren	Simoneau
Anderson, R.	Garcia	Kinkel	Olsen, S.	Skoglund
Anderson, R. H.	Girard	Knickerbocker	Olson, E.	Smith
Battaglia	Goodno	Koppendrayner	Olson, K.	Solberg
Beard	Greenfield	Krambeer	Omman	Sparby
Begich	Gruenes	Krinkie	Onnen	Stanius
Bertram	Gutknecht	Krueger	Orenstein	Steensma
Bettermann	Hanson	Lasley	Orfield	Sviggum
Bishop	Hartle	Leppik	Osthoff	Swenson
Blatz	Hasskamp	Lieder	Ostrom	Thompson
Bodahl	Haukoos	Limmer	Ozment	Tompkins
Boo	Hausman	Lourey	Pellow	Trimble
Brown	Heir	Lynch	Pelowski	Tunheim
Carlson	Henry	Macklin	Peterson	Uphus
Carruthers	Hufnagle	Mariani	Pugh	Valento
Clark	Hugoson	Marsh	Reding	Vellenga
Cooper	Jacobs	McEachern	Rest	Wagenius
Dauner	Janezich	McGuire	Rice	Waltman
Dauids	Jaros	McPherson	Rodosovich	Weaver
Dawkins	Jefferson	Milbert	Rukavina	Wejman
Dempsey	Jennings	Morrison	Runbeck	Welker
Dille	Johnson, A.	Munger	Sarna	Welle
Dorn	Johnson, R.	Murphy	Schafer	Wenzel
Erhardt	Johnson, V.	Nelson, S.	Schreiber	Winter
Farrell	Kahn	Newinski	Seaberg	Spk. Long

Welle moved that further proceedings of the roll call be dispensed with and that the Sergeant at Arms be instructed to bring in the absentees. The motion prevailed and it was so ordered.

MOTION TO OVERRIDE LINE ITEM VETO

Ogren, Ostrom, Winter, Bodahl and O'Connor moved that Article 2, Section 4, page 79, lines 1 through 36, and page 80, lines 1 through 4, Chapter 291, H. F. No. 1698, be now reconsidered and repassed, the objections of the Governor notwithstanding, pursuant to Article IV, Section 23, of the Constitution of the State of Minnesota.

The question was taken on the motion to reconsider and repass the line item veto relating to Article 2, Section 4, page 79, lines 1

through 36, and page 80, lines 1 through 4, Chapter 291, H. F. No. 1698, the objections of the Governor notwithstanding, pursuant to Article IV, Section 23, of the Constitution of the State of Minnesota and the roll was called.

There were 87 yeas and 45 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Dorn	Kalis	Olson, E.	Skoglund
Anderson, R.	Farrell	Kelso	Olson, K.	Solberg
Battaglia	Frederick	Kinkel	Omann	Sparby
Bauerly	Garcia	Koppendrayner	Orenstein	Steensma
Bear	Goodno	Krueger	Orfield	Thompson
Begich	Greenfield	Lasley	Osthoff	Trimble
Bertram	Hanson	Lieder	Ostrom	Tunheim
Bettermann	Hasskamp	Lourey	Pelowski	Vellenga
Bodahl	Hausman	Mariani	Peterson	Wagenius
Brown	Jacobs	McEachern	Pugh	Waltman
Carlson	Janezich	McGuire	Reding	Wejcmann
Carruthers	Jaros	Milbert	Rest	Welle
Clark	Jefferson	Munger	Rice	Wenzel
Cooper	Jennings	Murphy	Rodosovich	Winter
Dauner	Johnson, A.	Nelson, K.	Rukavina	Spk. Long
Dauids	Johnson, R.	Nelson, S.	Sarna	
Dawkins	Johnson, V.	O'Connor	Segal	
Dille	Kahn	Ogren	Simoneau	

Those who voted in the negative were:

Abrams	Gruenes	Krambeer	Newinski	Smith
Anderson, R. H.	Gutknecht	Krinkie	Olsen, S.	Stanius
Bishop	Hartle	Leppik	Onnen	Sviggunn
Blatz	Haukoos	Limmer	Ozment	Swenson
Boo	Heir	Lynch	Pellow	Tompkins
Dempsey	Henry	Macklin	Runbeck	Uphus
Erhardt	Hufnagle	Marsh	Schafer	Valento
Frerichs	Hugoson	McPherson	Schreiber	Weaver
Girard	Knickerbocker	Morrison	Seaberg	Welker

Not having received the constitutionally required two-thirds vote, the line item veto was not reconsidered and not repassed.

Morrison was excused for the remainder of today's session.

#### CALL OF THE HOUSE LIFTED

Welle moved that the call of the House be dispensed with. The motion prevailed and it was so ordered.

Frerichs moved that H. F. No. 1808 be recalled from the Committee on Appropriations, be given its second reading and be advanced to General Orders pursuant to House Rule 1.15.

A roll call was requested and properly seconded.

## CALL OF THE HOUSE

On the motion of Sviggum and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Abrams	Farrell	Kahn	Newinski	Segal
Anderson, I.	Frederick	Kalis	O'Connor	Simoneau
Anderson, R.	Frerichs	Kelso	Ogren	Skoglund
Anderson, R. H.	Garcia	Kinkel	Olsen, S.	Smith
Battaglia	Girard	Knickerbocker	Olson, E.	Solberg
Bauerly	Goodno	Koppendrayer	Olson, K.	Sparby
Beard	Greenfield	Krambeer	Omann	Stanius
Begich	Gruenes	Krinkie	Onnen	Steensma
Bertram	Gutknecht	Krueger	Orenstein	Sviggum
Bettermann	Hanson	Lasley	Orfield	Swenson
Bishop	Hartle	Leppik	Osthoff	Thompson
Blatz	Hasskamp	Lieder	Ostrom	Tompkins
Bodahl	Haukoos	Limmer	Ozment	Trimble
Boo	Hausman	Lourey	Pellow	Tunheim
Brown	Heir	Lynch	Pelowski	Uphus
Carlson	Henry	Macklin	Peterson	Valento
Carruthers	Hufnagle	Mariani	Pugh	Vellenga
Clark	Hugoson	Marsh	Reding	Wagenius
Cooper	Jacobs	McEachern	Rest	Waltman
Dauner	Janezich	McGuire	Rodosovich	Weaver
Davids	Jaros	McPherson	Rukavina	Wejcmán
Dawkins	Jefferson	Milbert	Runbeck	Welker
Dempsey	Jennings	Munger	Sarna	Welle
Dille	Johnson, A.	Murphy	Schafer	Wenzel
Dorn	Johnson, R.	Nelson, K.	Schreiber	Winter
Erhardt	Johnson, V.	Nelson, S.	Seaberg	Spk. Long

Welle moved that further proceedings of the roll call be dispensed with and that the Sergeant at Arms be instructed to bring in the absentees. The motion prevailed and it was so ordered.

Ogren was excused for the remainder of today's session.

The question recurred on the Frerichs motion and the roll was called. There were 53 yeas and 76 nays as follows:

Those who voted in the affirmative were:

Abrams	Frerichs	Johnson, V.	Newinski	Stanius
Anderson, R. H.	Girard	Knickerbocker	Olsen, S.	Sviggum
Bettermann	Goodno	Koppendrayer	Omann	Swenson
Bishop	Gruenes	Krambeer	Onnen	Tompkins
Blatz	Gutknecht	Krinkie	Ozment	Uphus
Boo	Hartle	Leppik	Pellow	Valento
Davids	Haukoos	Limmer	Runbeck	Waltman
Dempsey	Heir	Lynch	Schafer	Weaver
Dille	Henry	Macklin	Schreiber	Welker
Erhardt	Hufnagle	Marsh	Seaberg	
Frederick	Hugoson	McPherson	Smith	

Those who voted in the negative were:

Anderson, I.	Farrell	Kinkel	Orenstein	Sparby
Anderson, R.	Garcia	Krueger	Orfield	Steensma
Battaglia	Greenfield	Lasley	Ostrom	Thompson
Bauerly	Hanson	Lieder	Pelowski	Trimble
Beard	Hasskamp	Lourey	Peterson	Tunheim
Begich	Hausman	Mariani	Pugh	Vellenga
Bertram	Jacobs	McEachern	Reding	Wagenius
Bodahl	Janezich	McGuire	Rest	Wejcman
Brown	Jaros	Milbert	Rice	Welle
Carlson	Jefferson	Munger	Rodosovich	Wenzel
Carruthers	Jennings	Murphy	Rukavina	Winter
Clark	Johnson, A.	Nelson, K.	Sarna	Spk. Long
Cooper	Johnson, R.	Nelson, S.	Segal	
Dauner	Kahn	O'Connor	Simoneau	
Dawkins	Kalis	Olson, E.	Skoglund	
Dorn	Kelso	Olson, K.	Solberg	

The motion did not prevail.

Onnen moved that H. F. No. 1828 be returned to its author. The motion prevailed.

#### ADJOURNMENT

Welle moved that when the House adjourns today it adjourn until 1:00 p.m., Wednesday, January 15, 1992. The motion prevailed.

Welle moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 1:00 p.m., Wednesday, January 15, 1992.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-SEVENTH SESSION—1992

## SIXTY-SIXTH DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, JANUARY 15, 1992

The House of Representatives convened at 1:00 p.m. and was called to order by Dee Long, Speaker of the House.

Prayer was offered by Monsignor James D. Habiger, House Chaplain.

The roll was called and the following members were present:

Abrams	Frerichs	Kinkel	Olsen, S.	Smith
Anderson, I.	Garcia	Knickerbocker	Olson, E.	Solberg
Anderson, R.	Girard	Koppendrayer	Olson, K.	Sparby
Anderson, R. H.	Goodno	Krambeer	Omann	Stanius
Battaglia	Greenfield	Krinkie	Onnen	Steenasma
Bauerly	Gruenes	Krueger	Orenstein	Sviggum
Beard	Gutknecht	Lasley	Orfield	Swenson
Begich	Hanson	Leppik	Osthoff	Thompson
Bertram	Hartle	Lieder	Ostrom	Tompkins
Bettermann	Hasskamp	Limmer	Ozment	Trimble
Blatz	Haukoos	Lourey	Pellow	Tunheim
Bodahl	Hausman	Lynch	Pelowski	Uphus
Boo	Heir	Macklin	Peterson	Valento
Brown	Henry	Mariani	Pugh	Vanasek
Carlson	Hufnagle	Marsh	Reding	Vellenga
Carruthers	Hugoson	McEachern	Rest	Wagenius
Clark	Jacobs	McGuire	Rice	Waltman
Cooper	Janezich	McPherson	Rodosovich	Weaver
Dauner	Jaros	Milbert	Rukavina	Wejzman
Dauids	Jefferson	Morrison	Runbeck	Welker
Dawkins	Jennings	Munger	Sarna	Welle
Dempsey	Johnson, A.	Murphy	Schafer	Wenzel
Dille	Johnson, R.	Nelson, K.	Schreiber	Winter
Dorn	Johnson, V.	Nelson, S.	Seaberg	Spk. Long
Erhardt	Kahn	Newinski	Segal	
Farrell	Kalis	O'Connor	Simoneau	
Frederick	Kelso	Ogren	Skoglund	

A quorum was present.

Pauly was excused.

Bishop was excused until 4:20 p.m.

The Chief Clerk proceeded to read the Journal of the preceding

day. Winter moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

### INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Dille, Cooper, Schafer, Welle and Segal introduced:

H. F. No. 1875, A bill for an act relating to regional development commissions; permitting annual audits by a certified public accountant; amending Minnesota Statutes 1990, section 462.396, subdivision 4.

The bill was read for the first time and referred to the Committee on Economic Development.

Sviggum, Rodosovich, Runbeck, Welle and Henry introduced:

H. F. No. 1876, A bill for an act relating to human services; defining certain terms; providing for certain child care funding; appropriating money; amending Minnesota Statutes 1990, sections 256H.01, subdivision 9, and by adding a subdivision; and 256H.10, subdivision 1; Minnesota Statutes 1991 Supplement, sections 256H.03, subdivisions 4 and 6; and 256H.05, subdivision 1b, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Bishop, Vellenga, Solberg and Seaberg introduced:

H. F. No. 1877, A bill for an act relating to crimes; driving while intoxicated; changing the chemical dependency assessment charge for driving while intoxicated laws; amending Minnesota Statutes 1990, section 169.126, subdivision 4c; Minnesota Statutes 1991 Supplement, section 169.121, subdivision 5a.

The bill was read for the first time and referred to the Committee on Judiciary.

Macklin, Vellenga, Blatz, Wagenius and Pugh introduced:

H. F. No. 1878, A bill for an act relating to children; authorizing



criminal background checks of professional and volunteer child care providers; establishing procedures for the sharing of criminal record data with child care employers; protecting privacy rights of subjects of the background checks; proposing coding for new law in Minnesota Statutes, chapter 299C.

The bill was read for the first time and referred to the Committee on Judiciary.

Farrell, Sarna, McEachern, O'Connor and Anderson, R., introduced:

H. F. No. 1879, A bill for an act relating to commerce; requiring a certain interest rate disclosure on certain sales of goods and services; modifying the maximum finance charge on certain open end credit sales; regulating additional charges; amending Minnesota Statutes 1990, section 334.16, subdivision 1, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 325G.

The bill was read for the first time and referred to the Committee on Commerce.

Ostrom; Welle; Hasskamp; Anderson, R., and Lasley introduced:

H. F. No. 1880, A bill for an act relating to civil commitment; authorizing new procedures for return of certain patients who are absent from treatment facilities without authorization; requiring the commissioner of public safety to enable information on absent patients to be entered into the criminal justice information system; amending Minnesota Statutes 1990, section 253B.23, subdivision 1a; proposing coding for new law in Minnesota Statutes, chapter 299C.

The bill was read for the first time and referred to the Committee on Judiciary.

Girard, Schafer and McEachern introduced:

H. F. No. 1881, A bill for an act relating to education; excluding employee organization meeting days from the school calendar; amending Minnesota Statutes 1990, section 126.12, subdivision 2.

The bill was read for the first time and referred to the Committee on Education.

Bauerly; McEachern; Nelson, K.; Lasley and Kelso introduced:

H. F. No. 1882, A bill for an act relating to education; clarifying the debt service equalization program; authorizing a levy adjustment; amending Minnesota Statutes 1991 Supplement, section 124.95, subdivisions 1 and 2.

The bill was read for the first time and referred to the Committee on Education.

Wenzel, Long, Blatz, Newinski and Dille introduced:

H. F. No. 1883, A bill for an act relating to crime; providing for life imprisonment without release for certain persons convicted of first degree murder or repeat violent sex offenses; requiring consecutive sentences for persons convicted of multiple violent crimes; removing the crime of intentional second degree murder from the sentencing guidelines; providing mandatory minimum sentences for persons convicted of second and third degree murder, certain sex offenses, and first degree assault; reducing the good time allowance for violent offenders; granting the attorney general concurrent authority to prosecute felony offenses; expanding the sex offender registration statute; requiring the commissioner of corrections to determine whether a "psychopathic personality" commitment petition should be filed before releasing a sex offender from prison; authorizing bonding for capital improvements; changing penalties for certain prostitution related crimes; appropriating money; amending Minnesota Statutes 1990, sections 8.01; 244.04, subdivisions 1, 3, and by adding a subdivision; 244.05, subdivisions 4, 5, and by adding a subdivision; 609.15, by adding a subdivision; 609.184, subdivision 2; 609.19; 609.195; 609.221; 609.322; 609.323; 609.342, subdivision 2; 609.343, subdivision 2; and 609.346, subdivision 2a; Minnesota Statutes 1991 Supplement, section 243.166, subdivisions 1, 3, and 6.

The bill was read for the first time and referred to the Committee on Judiciary.

Sparby and Carruthers introduced:

H. F. No. 1884, A bill for an act relating to financial institutions; authorizing a banking institution that is a trustee to invest in certain investment companies and investment trusts; amending Minnesota Statutes 1990, sections 48.01, subdivision 1; 48.38, subdivision 6; 48.84; and 501B.10, subdivision 6.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Boo introduced:

H. F. No. 1885, A bill for an act relating to elected officials; compensation plans; prohibiting vacation and sick leave for certain elected officials of political subdivisions; amending Minnesota Statutes 1990, section 43A.17, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Cooper, Brown and Hartle introduced:

H. F. No. 1886, A bill for an act relating to traffic regulations; providing for exemption to open bottle law; amending Minnesota Statutes 1990, section 169.122, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Judiciary.

Thompson, Kinkel and Lieder introduced:

H. F. No. 1887, A bill for an act relating to motor vehicles; authorizing issuance of special license plates for square and round dancers; amending Minnesota Statutes 1990, section 168.12, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Transportation.

Ostrom; Dorn; Olson, K.; Kalis and Hugoson introduced:

H. F. No. 1888, A bill for an act relating to education; extending interactive television levy authority to school districts in economic region nine; amending Minnesota Statutes 1991 Supplement, section 275.125, subdivision 11g.

The bill was read for the first time and referred to the Committee on Education.

Rukavina, Begich, Trimble, Bettermann and Krinkie introduced:

H. F. No. 1889, A bill for an act relating to employment; modifying provisions related to access to employee personnel records; amending Minnesota Statutes 1990, sections 181.961, subdivision 2; and 181.962, subdivision 1.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Johnson, R.; Nelson, S.; Dauner; Winter and Tunheim introduced:

H. F. No. 1890, A bill for an act relating to taxation; exempting occasional sales of tangible personal property primarily used in a trade or business; amending Minnesota Statutes 1991 Supplement, section 297A.25, subdivision 12.

The bill was read for the first time and referred to the Committee on Taxes.

Johnson, R.; Dauner; Nelson, S.; Winter and Peterson introduced:

H. F. No. 1891, A bill for an act relating to the local government trust fund; providing for payment from the fund for fiscal years 1994 and 1995; appropriating money.

The bill was read for the first time and referred to the Committee on Taxes.

Farrell, Orfield, Pugh, Milbert and Bishop introduced:

H. F. No. 1892, A bill for an act relating to commerce; regulating negotiable instruments; adopting the revised article 3 of the Uniform Commercial Code with conforming amendments to articles 1 and 4 approved by the American Law Institute and the National Conference of Commissioners on Uniform State Laws.

The bill was read for the first time and referred to the Committee on Commerce.

Thompson, Sparby, Lourey, McEachern and Bettermann introduced:

H. F. No. 1893, A bill for an act relating to education; changing the structure of the higher education merger; amending Minnesota Statutes 1991 Supplement, sections 136E.03; 136E.04, subdivision 1; 179A.10, subdivision 2; and Laws 1991, chapter 356, article 9, sections 8, subdivisions 1 and 4; 9; and 14; repealing Minnesota Statutes 1991 Supplement, section 136E.04, subdivision 4; and Laws 1991, chapter 356, article 9, sections 8, subdivision 6; and 11.

The bill was read for the first time and referred to the Committee on Education.

Wenzel, Gutknecht, Valento, Osthoff and Omann introduced:

H. F. No. 1894, A bill for an act relating to taxation; increasing the subtraction from taxable income for education expenses; amending Minnesota Statutes 1990, section 290.01, subdivision 19b.

The bill was read for the first time and referred to the Committee on Taxes.

Cooper; Brown; Gruenes; Johnson, R., and Ostrom introduced:

H. F. No. 1895, A bill for an act relating to retirement; establishing an ambulance service personnel longevity award and incentive program; redirecting proceeds of a driver's license surtax; amending Minnesota Statutes 1991 Supplement, sections 171.06, subdivision 2b; 353D.01, subdivision 2; 353D.02; 353D.03; 353D.05, subdivisions 1 and 3; and 353D.06; proposing coding for new law as Minnesota Statutes, chapter 356B; repealing Minnesota Statutes 1991 Supplement, sections 353D.01, subdivisions 1a and 1b; 353D.021; 353D.031; 353D.051; and 353D.091; and Laws 1991, chapter 291, article 19, section 11.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Hasskamp, Vellenga, Thompson, McGuire and Marsh introduced:

H. F. No. 1896, A bill for an act relating to crime; providing for life imprisonment without release for persons who commit first degree murder involving forcible criminal sexual conduct; amending Minnesota Statutes 1990, sections 244.05, subdivisions 4 and 5; and 609.184, subdivision 2.

The bill was read for the first time and referred to the Committee on Judiciary.

Bauerly, McEachern, Kelso, Lasley and Kalis introduced:

H. F. No. 1897, A bill for an act relating to education; modifying the cooperative secondary facilities program; authorizing the sale of bonds; amending Minnesota Statutes 1990, sections 124.493, subdivision 1; 124.494, subdivisions 2 and 4; and 124.495; repealing Minnesota Statutes 1991 Supplement, section 124.493, subdivision 3.

The bill was read for the first time and referred to the Committee on Education.

Johnson, R., and Munger introduced:

H. F. No. 1898, A bill for an act relating to natural resources; prohibiting water ski slalom courses on certain waters of the state; proposing coding for new law in Minnesota Statutes, chapter 86B.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Haukoos, Reding, Kalis and Anderson, R. H., introduced:

H. F. No. 1899, A bill for an act relating to taxation; providing local government aid increases to the city of Alden.

The bill was read for the first time and referred to the Committee on Taxes.

Johnson, R., and Kinkel introduced:

H. F. No. 1900, A bill for an act relating to local government; increasing dollar thresholds for compliance with certain provisions of the uniform municipal contracting law; amending Minnesota Statutes 1990, section 471.345, subdivisions 3, 4, and 5.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Winter, Skoglund, Lourey and Johnson, R., introduced:

H. F. No. 1901, A bill for an act relating to insurance; property and casualty; regulating certain terminations and modifications or changes to certain agent agreements; modifying the definition of loss ratio experience; modifying membership in the board of review; amending Minnesota Statutes 1990, sections 60A.172; and 60A.177, subdivision 3.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Johnson, R.; Reding; Knickerbocker; Jefferson and O'Connor introduced:

H. F. No. 1902, A bill for an act relating to retirement; providing benefit increases for certain public employees; amending Minnesota Statutes 1990, sections 352.115, subdivision 3; 353.29, subdivision 3; 354.44, subdivision 6; and 354A.31, subdivision 4.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Simoneau introduced:

H. F. No. 1903, A bill for an act relating to capital improvements; authorizing bonds and appropriating money for the Minnesota Zoological Garden.

The bill was read for the first time and referred to the Committee on Appropriations.

Dorn introduced:

H. F. No. 1904, A bill for an act relating to education; University of Minnesota; appropriating money for the institute of technology and system specials.

The bill was read for the first time and referred to the Committee on Education.

### CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Simoneau requested immediate consideration of S. F. No. 1612.

S. F. No. 1612 was reported to the House.

Sviggum moved to amend S. F. No. 1612, as follows:

Page 1, after line 22, insert:

“Sec. 2. [APPROPRIATION REDUCTION.]

The appropriation to the legislature under Laws 1991, chapter 345, article 1, section 2, for the fiscal year ending June 30, 1993, is reduced by \$3,400,000. Of that amount, \$1,700,000 is a reduction to the appropriation to the senate under Laws 1991, chapter 345, article 1, section 2, subdivision 2, and \$1,700,000 is a reduction to the appropriation to the house of representatives under Laws 1991, chapter 345, article 1, section 2, subdivision 3. Notwithstanding any law to the contrary, the reductions required under this section must be applied, to the maximum extent possible, to expenses of legislators, including travel and per diems. The amount of this appropriation reduction is intended to fund the work readiness time limit suspension under section 1.”

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

Renumber the sections in sequence

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Sviggum amendment and the roll was called. There were 60 yeas and 69 nays as follows:

Those who voted in the affirmative were:

Abrams	Ferichs	Hugoson	Marsh	Schafer
Anderson, R. H.	Garcia	Jennings	McPherson	Schreiber
Bettermann	Girard	Johnson, V.	Morrison	Seaberg
Blatz	Goodno	Knickerbocker	Nelson, S.	Smith
Boo	Gruenes	Koppendrayer	Newinski	Stanisus
Dauner	Gutknecht	Krambeer	Olsen, S.	Sviggum
Davids	Hanson	Krinkie	Omann	Swenson
Dempsey	Hartle	Leppik	Onnen	Tompkins
Dille	Haukoos	Limmer	Ozment	Uphus
Dorn	Heir	Lourey	Pellow	Valento
Erhardt	Henry	Lynch	Pelowski	Waltman
Frederick	Hufnagle	Macklin	Runbeck	Weaver

Those who voted in the negative were:

Anderson, I.	Farrell	Lasley	Orfield	Sparby
Anderson, R.	Greenfield	Lieder	Osthoff	Steensma
Battaglia	Hausman	Mariani	Ostrom	Thompson
Bauerly	Jacobs	McEachern	Peterson	Trimble
Beard	Janezich	McGuire	Pugh	Tunheim
Begich	Jaros	Milbert	Reding	Vanasek
Bertram	Jefferson	Munger	Rest	Vellenga
Bodahl	Johnson, A.	Murphy	Rice	Wagenius
Brown	Johnson, R.	Nelson, K.	Rodosovich	Wejzman
Carlson	Kahn	O'Connor	Rukavina	Welle
Carruthers	Kalis	Ogren	Segal	Wenzel
Clark	Kelso	Olson, E.	Simoneau	Winter
Cooper	Kinkel	Olson, K.	Skoglund	Spk. Long
Dawkins	Krueger	Orenstein	Solberg	

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

#### POINT OF ORDER

Stanisus raised a point of order pursuant to rule 5.10 that S. F. No. 1612 was not in order. The Speaker ruled the point of order not well taken and S. F. No. 1612 in order.

Weaver and Sviggum moved to amend S. F. No. 1612, as follows:



Page 1, after line 4, insert:

“Section 1. Minnesota Statutes 1990, section 290.01, subdivision 6, is amended to read:

Subd. 6. [TAXPAYER.] The term “taxpayer” means any person or corporation subject to a tax imposed by this chapter. ~~For purposes of section 290.06, subdivision 23, the term “taxpayer” means an individual eligible to vote in Minnesota under section 201.014.”~~

Page 1, line 24, before “Section” insert “(a)” and delete the first “1” and insert “2”

Page 1, after line 24, insert:

“(b) Minnesota Statutes 1990, section 10A.43, subdivision 5; Minnesota Statutes 1991 Supplement, sections 10A.322, subdivision 4; and 290.06, subdivision 23, are repealed.

#### Sec. 4. [APPROPRIATION REDUCTION.]

The appropriation to the legislature under Laws 1991, chapter 345, article 1, section 2, for the fiscal year ending June 30, 1993, is reduced by \$1,200,000. Of that amount, \$600,000 is a reduction to the appropriation to the senate under Laws 1991, chapter 345, article 1, section 2, subdivision 2, and \$600,000 is a reduction to the appropriation to the house of representatives under Laws 1991, chapter 345, article 1, section 2, subdivision 3. Notwithstanding any law to the contrary, the reductions required under this section must be applied, to the maximum extent possible, to expenses of legislators, including travel and per diems. The amount of this appropriation reduction and savings from the repeal of the political contribution refund in sections 1 and 3, paragraph (b), are intended to fund the work readiness time limit suspension in section 2.”

Page 2, line 2, delete “1” and insert “2”

Page 2, line 3, delete “2” and insert “3, paragraph (a)” and after the period insert “Sections 1 and 3, paragraph (b) are effective for contributions made after January 31, 1992.”

Renumber the sections in sequence

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Weaver and Sviggum amendment and the roll was called. There were 58 yeas and 70 nays as follows:

Those who voted in the affirmative were:

Abrams	Frerichs	Johnson, V.	Morrison	Smith
Anderson, R. H.	Girard	Kalis	Nelson, S.	Stanius
Bettermann	Goodno	Knickerbocker	Newinski	Sviggum
Blatz	Gruenes	Koppendrayer	Olsen, S.	Swenson
Boo	Gutknecht	Krambeer	Omman	Tompkins
Dauner	Hartle	Krinkie	Onnen	Uphus
Davids	Haukoos	Leppik	Ozment	Valento
Dempsey	Heir	Limmer	Pellow	Waltman
Dille	Henry	Lynch	Runbeck	Weaver
Dorn	Hufnagle	Macklin	Schafer	Welker
Erhardt	Hugoson	Marsh	Schreiber	
Frederick	Jennings	McPherson	Seaberg	

Those who voted in the negative were:

Anderson, I.	Farrell	Lasley	Orenstein	Solberg
Anderson, R.	Garcia	Lieder	Orfield	Sparby
Battaglia	Greenfield	Lourey	Ostrom	Steensma
Bauerly	Hanson	Mariani	Peterson	Thompson
Beard	Hausman	McEachern	Pugh	Trimble
Begich	Jacobs	McGuire	Reding	Tunheim
Bertram	Janezich	Milbert	Rest	Vanasek
Bodahl	Jaros	Munger	Rice	Vellenga
Brown	Johnson, A.	Murphy	Rodosovich	Wagenius
Carlson	Johnson, R.	Nelson, K.	Rukavina	Wejman
Carruthers	Kahn	O'Connor	Sarna	Welle
Clark	Kelso	Ogren	Segal	Wenzel
Cooper	Kinkel	Olson, E.	Simoneau	Winter
Dawkins	Krueger	Olson, K.	Skoglund	Spk. Long

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

Sviggum and Welker offered an amendment to S. F. No. 1612.

#### POINT OF ORDER

Welle raised a point of order pursuant to rule 3.09 that the Sviggum and Welker amendment was not in order. The Speaker ruled the point of order well taken and the amendment out of order.

S. F. No. 1612, A bill for an act relating to human services; temporarily removing the time limit on work readiness assistance.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 82 yeas and 49 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Farrell	Krueger	Orenstein	Steensma
Anderson, R.	Garcia	Lasley	Orfield	Swenson
Battaglia	Greenfield	Lieder	Osthoff	Thompson
Bauerly	Hanson	Lourey	Ostrom	Tompkins
Beard	Hasskamp	Mariani	Peterson	Trimble
Begich	Hausman	Marsh	Pugh	Tunheim
Bertram	Jacobs	McEachern	Rest	Vanasek
Bodahl	Janezich	McGuire	Rice	Vellenga
Boo	Jaros	Milbert	Rodosovich	Wagenius
Brown	Jefferson	Munger	Rukavina	Wejzman
Carlson	Jennings	Murphy	Sarna	Welle
Carruthers	Johnson, A.	Nelson, K.	Seaberg	Wenzel
Clark	Johnson, R.	Nelson, S.	Segal	Winter
Cooper	Kahn	O'Connor	Simoneau	Spk. Long
Dauner	Kelso	Ogren	Skoglund	
Dawkins	Kinkel	Olson, E.	Solberg	
Dorn	Krambeer	Olson, K.	Sparby	

Those who voted in the negative were:

Abrams	Girard	Johnson, V.	Morrison	Schreiber
Anderson, R. H.	Goodno	Kalis	Newinski	Smith
Bettermann	Gruenes	Knickerbocker	Olsen, S.	Stanis
Blatz	Gutknecht	Koppendrayner	Omann	Sviggum
Davids	Hartle	Krinkie	Onnen	Uphus
Dempsey	Haukoos	Leppik	Ozment	Valento
Dille	Heir	Limmer	Pellow	Waltman
Erhardt	Henry	Lynch	Pelowski	Weaver
Frederick	Hufnagle	Macklin	Runbeck	Welker
Frerichs	Hugoson	McPherson	Schafer	

The bill was passed and its title agreed to.

Welle moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

Welle and Dempsey requested unanimous consent to offer House Concurrent Resolution No. 6. The request was granted.

Welle and Dempsey introduced:

House Concurrent Resolution No. 6, A house concurrent resolution relating to adjournment for more than three days.

## SUSPENSION OF RULES

Welle and Dempsey moved that the rules be so far suspended that House Concurrent Resolution No. 6 be now considered and be placed upon its adoption. The motion prevailed.

## HOUSE CONCURRENT RESOLUTION NO. 6

A house concurrent resolution relating to adjournment for more than three days.

*Be It Resolved* by the House of Representatives of the State of Minnesota, the Senate concurring:

1. Upon its adjournment on January 15, 1992, the House of Representatives may set its next day of meeting for Tuesday, February 18, 1992.

2. Upon its adjournment on January 15, 1992, the Senate may set its next day of meeting for Tuesday, February 18, 1992.

3. Pursuant to the Minnesota Constitution, Article IV, Section 12, the Senate and House of Representatives each consents to the adjournment of the other for more than three days.

Welle and Dempsey moved that House Concurrent Resolution No. 6 be now adopted. The motion prevailed and House Concurrent Resolution No. 6 was adopted.

REPORT FROM THE COMMITTEE ON RULES AND  
LEGISLATIVE ADMINISTRATION

Welle, for the Committee on Rules and Legislative Administration, offered the following report and moved its adoption:

*Resolved* that Rule 9.03 of the Permanent Rules of the House of Representatives for the 77th Session be amended to read as follows:

9.03 DEADLINES. In regular session in odd-numbered years, committee reports on bills favorably acted upon by a committee in the house of origin after Friday, April 12, 1991, and committee reports on bills originating in the other house favorably acted upon by a committee after Wednesday, April 24, 1991, shall be referred in the House of Representatives to the Committee on Rules and Legislative Administration for disposition. In even-numbered years,

committee reports on bills favorably acted upon by a committee of the house of origin after ..... Friday, March 13, 1992, and committee reports on bills originating in the other house favorably acted upon by a committee after ..... Friday, March 20, 1992, shall be referred in the House of Representatives to the Committee on Rules and Legislative Administration for disposition. However, referral is not required after the first deadline when, by the second deadline, a committee acts on a bill that is a companion to a bill that has then been acted upon by the first deadline in the Senate.

Bills in the House Committees on Appropriations and on Taxes, and the education finance bill in the Committee on Education, are exempt from this rule and need not be re-referred, except as follows: a bill other than an omnibus tax or appropriation bill that includes provisions that create or reestablish a commission, board, task force, advisory committee or council, or other entity, shall be re-referred to the Committee on Rules and Legislative Administration if it remains in committee after the deadlines set by this rule.

The motion prevailed and the report amending the Permanent Rules of the House for the 77th Session was adopted.

REPORT FROM THE COMMITTEE ON RULES AND  
LEGISLATIVE ADMINISTRATION

Welle, from the Committee on Rules and Legislative Administration, pursuant to rule 1.09, designated the following bills as Special Orders for immediate consideration Wednesday, January 15, 1992:

S. F. Nos. 1562, 1598 and 1622.

**SPECIAL ORDERS**

S. F. No. 1562 was reported to the House.

Bishop moved to amend S. F. No. 1562, the unofficial engrossment, as follows:

Pages 4 and 5, delete section 9

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Bishop moved to amend S. F. No. 1562, the unofficial engrossment, as amended, as follows:

Page 21, after line 12, insert:

“Sec. 20. [FINAL FOUR CORRECTION.]

Subdivision 1. Laws 1991, chapter 333, section 38, is amended to read:

Sec. 38. [TEMPORARY AUTHORITY; CHARTER CARRIERS OF PASSENGERS.]

(a) The transportation regulation board may issue a temporary permit to a motor carrier to operate as a charter carrier of passengers if the board finds that:

(1) the service to be provided under the temporary certificate will be provided during the month of January 1992 in connection with or related to the 1992 National Football League championship game or during the last week in March through the second week in April 1992 in connection with or related to the 1992 NCAA Men's Basketball Final Four Tournament;

(2) the petitioner for the temporary permit is fit and able to conduct the proposed operations; and

(3) the petitioner's vehicles meet the applicable safety standards of the commissioner of transportation.

(b) Notwithstanding Minnesota Statutes, section 221.121, subdivision 2, a holder of a temporary permit under this section is not required to seek a permanent permit from the board. The board may charge a registration fee of not more than \$10 for each vehicle that will be operated under authority of the permit. All permits issued by the board under this section expire on a date specified in the permit, but not later than ~~January 31~~ April 15, 1992.

(c) All provisions of Minnesota Statutes, chapter 221, not inconsistent with this section, apply to permits issued under this section.

(d) In granting temporary permits under this section, the board shall, to the maximum feasible extent, give priority to Minnesota-based carriers.

Subd. 2. [EFFECTIVE DATE.] Subdivision 1 is effective the day following its final enactment."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Bishop moved to amend S. F. No. 1562, the unofficial engrossment, as amended, as follows:

Page 21, after line 12, insert:

"Sec. 21. [EFFECTIVE DATE.]

Sections 14 and 18 take effect the day after final enactment."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

S. F. No. 1562, A bill for an act relating to legislative enactments; providing for the correction of miscellaneous oversights, inconsistencies, ambiguities, unintended results, and technical errors of a noncontroversial nature; amending Minnesota Statutes 1990, sections 2.031, subdivision 2, as amended; 82B.05, subdivision 1, as amended; 82B.11, subdivision 1, as amended; 82B.17, as amended; 82B.19, subdivision 3, as amended; 92.46, subdivision 1, as amended; 121.11, subdivision 12; 123.3514, subdivision 6, as amended; 124A.03, subdivision 2, as amended; 126.22, subdivision 8, as amended; 136D.90, subdivisions 1 and 2, as amended; 273.13, subdivision 25, as amended; 290.191, subdivision 4; 302A.461, subdivision 2, as amended; 469.101, subdivision 23, as amended; 1991 H.F. No. 719, article 4, section 67, subdivision 1; 1991 S.F. No. 598, article 7, section 9; 1991 H.F. No. 719, article 5, section 72; 1991 H.F. No. 2, article 2, section 7; 1991 H.F. No. 700, article 6, section 67, subdivision 1; 1991 H.F. No. 700, article 1, section 29; 1991 H.F. No. 700, article 4, section 34; 1991 H.F. No. 700, article 6, section 39,

subdivision 6; 1991 H.F. No. 700, article 7, section 13, subdivision 1; 1991 H.F. No. 700, article 8, section 20; 1991 H.F. No. 700, article 9, section 33, subdivision 5; 1991 H.F. No. 700, article 9, section 76; Laws 1989, chapter 341, article 1, section 26; Laws 1991, chapter 97, section 15; Laws 1991, chapter 246, sections 4, subdivision 1; 7, subdivision 2; 12, subdivision 1; 17, subdivision 2; 23, subdivision 1; 29, subdivision 2; 31; 34, subdivision 2; 38, subdivision 2; 39, subdivision 2; 40, subdivision 2; 41, subdivision 2, 42, subdivision 1; 43, subdivision 1; 44, subdivision 1; 47, subdivision 2; 49, subdivision 1; 50; 51; 53; 54, subdivision 2; 55, subdivision 2; 56, subdivision 1; 58, subdivision 1; 60, subdivision 1; 62, subdivision 1; 64, subdivision 2; 65, subdivision 1; 66, subdivision 1; 67; 68, subdivision 2; 69, and by adding a section.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 3 nays as follows:

Those who voted in the affirmative were:

Abrams	Farrell	Kalis	O'Connor	Segal
Anderson, I.	Frederick	Kelso	Ogren	Simoneau
Anderson, R.	Frerichs	Kinkel	Olsen, S.	Skoglund
Anderson, R. H.	Garcia	Knickerbocker	Olson, E.	Smith
Battaglia	Girard	Koppendrayer	Olson, K.	Solberg
Bauerly	Goodno	Krambeer	Omann	Sparby
Beard	Greenfield	Krinkie	Onnen	Steenasma
Begich	Gruenes	Krueger	Orenstein	Sviggum
Bertram	Hanson	Lasley	Orfield	Swenson
Bettermann	Hartle	Leppik	Osthoff	Thompson
Bishop	Hasskamp	Lieder	Ostrom	Tompkins
Blatz	Haukoos	Limmer	Ozment	Trimble
Bodahl	Hausman	Lourey	Pellow	Tunheim
Boo	Heir	Lynch	Pelowski	Uphus
Brown	Henry	Mariani	Peterson	Valento
Carlson	Hufnagle	Marsh	Pugh	Vanasek
Carruthers	Hugoson	McEachern	Reding	Vellenga
Clark	Jacobs	McGuire	Rest	Wagenius
Cooper	Janezich	McPherson	Rice	Waltman
Dauner	Jaros	Milbert	Rodosovich	Wejcman
Davids	Jefferson	Morrison	Rukavina	Welker
Dawkins	Jennings	Munger	Runbeck	Welle
Dempsey	Johnson, A.	Murphy	Sarna	Wenzel
Dille	Johnson, R.	Nelson, K.	Schafer	Winter
Dorn	Johnson, V.	Nelson, S.	Schreiber	Spk. Long
Erhardt	Kahn	Newinski	Seaberg	

Those who voted in the negative were:

Macklin	Stanius	Weaver
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The bill was passed, as amended, and its title agreed to.

S. F. No. 1598 was reported to the House.



Lasley moved to amend S. F. No. 1598, as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1990, section 207A.01, is amended to read:

**207A.01 [PRESIDENTIAL PRIMARY.]**

A presidential primary must be held on the first Tuesday in April of each year after 1993 in which a president and vice president of the United States are to be nominated and elected, at which the voters of this state may express their preference among the candidates of the major political party of their choice, for that party's nomination to be president of the United States or may vote for uncommitted delegates to the national party convention. For the purposes of sections 207A.01 to 207A.07, “political party” or “party” means a political party as defined in section 200.02, subdivision 7.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment.”

Delete the title and insert:

“A bill for an act relating to elections; changing the year for implementing the presidential primary; amending Minnesota Statutes 1990, section 207A.01.”

The motion prevailed and the amendment was adopted.

Nelson, K., was excused for the remainder of today's session.

Onnen, Leppik, Smith, Limmer, Sviggum and Anderson, R. H., moved to amend S. F. No. 1598, as amended, as follows:

Page 1, after line 18, insert:

“Sec. 2. [REPEALER.]

Minnesota Statutes 1990, sections 207A.03, subdivision 2; and 207A.08, are repealed.”

Page 1, line 20, delete “Section 1 is” and insert “Sections 1 and 2 are”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "eliminating requirement that primary voters identify themselves by party;"

Page 1, line 4, before the period, insert "; repealing Minnesota Statutes 1990, sections 207A.03, subdivision 2; and 207A.08"

A roll call was requested and properly seconded.

The question was taken on the Onnen et al amendment and the roll was called. There were 55 yeas and 73 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Frerichs	Kelso	Morrison	Stanius
Anderson, R.	Goodno	Knickerbocker	Newinski	Steensma
Anderson, R. H.	Gruenes	Koppendrayer	Olsen, S.	Sviggum
Bertram	Hartle	Krambeer	Omman	Swenson
Bettermann	Hasskamp	Krinkie	Onnen	Tompkins
Blatz	Haukoos	Leppik	Ozment	Uphus
Davids	Henry	Limmer	Pellow	Valento
Dempsey	Hufnagle	Lynch	Rodosovich	Waltman
Dille	Jennings	Macklin	Runbeck	Weaver
Erhardt	Johnson, V.	Marsh	Schafer	Welker
Frederick	Kalis	McPherson	Smith	Wenzel

Those who voted in the negative were:

Abrams	Farrell	Kahn	Orfield	Skoglund
Battaglia	Garcia	Kinkel	Osthoff	Solberg
Bauerly	Girard	Krueger	Ostrom	Sparby
Beard	Greenfield	Lasley	Pelowski	Thompson
Begich	Gutknecht	Lieder	Peterson	Trimble
Bodahl	Hanson	Lourey	Pugh	Tunheim
Boo	Hausman	Mariani	Reding	Vanasek
Brown	Heir	McGuire	Rest	Vellenga
Carlson	Hugoson	Milbert	Rice	Wagenius
Carruthers	Jacobs	Murphy	Rukavina	Wejzman
Clark	Janezich	Nelson, S.	Sarna	Welle
Cooper	Jaros	Ogren	Schreiber	Winter
Dauner	Jefferson	Olson, E.	Seaberg	Spk. Long
Dawkins	Johnson, A.	Olson, K.	Segal	
Dorn	Johnson, R.	Orenstein	Simoneau	

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

Kahn, Simoneau, Osthoff, Vellenga, Abrams, Gutknecht, Solberg, Vanasek, Orenstein, Munger, Milbert, Ogren and Kelso moved to amend S. F. No. 1598, as amended, as follows:

Delete everything after the enacting clause and insert:

**“Section 1. [204B.47] [EXPERIMENTAL MAIL ELECTIONS; PRESIDENTIAL PRIMARY.]**

**Subdivision 1. [AUTHORIZATION; GENERAL PROCEDURES.]** The presidential primary authorized by section 207A.01 must be conducted by mail on an experimental basis in 1992. The provisions of sections 204B.45, subdivisions 2 and 3, and 207A.01 to 207A.09 apply to the presidential primary to the extent practicable, except as provided in this section.

**Subd. 2. [BALLOT MAILER.]** No earlier than 20 days or later than ten days before the presidential primary, the secretary of state shall prepare and send by first class mail a ballot mailer to each person registered to vote as of 5:00 p.m. on the 21st day prior to the presidential primary. The voter records in the statewide registration system must indicate whether the voter has been sent a ballot mailer. A ballot mailer must not be mailed to any voter who has previously been sent an absentee ballot for the presidential primary. The ballot mailer must include a separate ballot for each major political party, a mailing enclosure, a return envelope, a ballot secrecy envelope, and instructions to the voters on marking the ballot and completing the mail voter's certificate. The return envelope must be preaddressed for delivery to the secretary of state.

The secretary of state may prepare the ballot mailer in a manner which permits the votes on the ballots, the voter's party choice, and information included on the return envelope to be read electronically. The ballots included in the ballot mailer must be prepared in the format provided for the white ballot to the extent practicable. The envelopes included in the ballot mailer must be prepared in the format provided in the rules for mail balloting adopted by the secretary of state to the extent practicable.

**Subd. 3. [VOTER VERIFICATION.]** The county auditors shall indicate on the statewide registration system the persons who have received absentee ballots prior to the mailing of the presidential primary ballot mailer. After the mailing of the presidential primary ballot mailer, the county auditors shall determine whether a person who applied for an absentee ballot has been sent a ballot mailer. The county auditor shall not send or deliver an absentee ballot to a voter who has been sent a ballot mailer unless the voter requests a replacement ballot in the manner provided in the rules of the secretary of state.

**Subd. 4. [COSTS.]** The secretary of state shall pay the following costs for the presidential primary: printing the ballot mailers; providing first class postage for the mailing enclosure and the return envelope included in the ballot mailer; use of equipment to process the return envelopes and count the ballots; and acquisition of adequate space and staff needed to process the return envelopes and count the ballots. The county auditor shall pay the costs of

preparing absentee and replacement ballots, and for first class postage for absentee ballots. The municipal clerks shall pay the costs of the election judges needed by the county auditor to process return envelopes and count the ballots, and the costs of providing ballot boxes and voting booths to the county auditor.

Subd. 5. [PROCESSING AND COUNTING BALLOTS.] The secretary of state may begin examining the return envelopes, removing voted ballots from the ballot secrecy envelopes, and placing the voted ballots in sealed containers immediately upon receipt of the return envelopes from the voters. The secretary of state may begin counting the voted ballots at any time on the day of the presidential primary. No results may be compiled or released to the public until after 8:00 p.m. on election day. The secretary of state may use equipment designed for optical character recognition on an experimental basis for the purpose of processing and counting the ballots.

The secretary of state shall provide adequate staff to process and count the voted ballots. Any staff employed must receive training in counting ballots similar to that required for election judges. The county auditors shall provide assistance to the secretary of state in the recruitment and training of staff and in the processing and counting of the ballots.

Subd. 6. [DUTIES OF COUNTY AUDITORS.] Each county auditor shall designate at least one place in the county where voters may deposit voted ballots and receive assistance. The county auditors shall also provide replacement ballots, absentee ballots, and ballots for persons who vote in person on election day.

The county auditor shall process and count absentee ballots, replacement ballots, and any ballots cast or returned on election day. The county auditor may begin examining return envelopes, removing voted ballots from the ballot secrecy envelopes, and placing the voted ballots in sealed containers at any time on election day. The county auditor shall count the ballots immediately after the close of voting and shall report the results in the manner specified by the secretary of state. The municipal clerks shall provide the county auditor with ballot boxes, voting booths, and an adequate number of election judges to process and count the ballots.

Subd. 7. [VOTING ON ELECTION DAY.] Presidential primary ballots may be obtained and cast in person at the locations designated by the county auditor from 7:00 a.m. until 8:00 p.m. on election day. The county auditor shall verify that persons voting on election day have not already submitted a voted ballot.

Subd. 8. [REPORTING RESULTS.] The secretary of state shall prepare a report on the results of the presidential primary for the state canvassing board. The report must include statewide vote totals for each candidate.

**Sec. 2. [207A.10] [POLITICAL PARTY; SUSPENSION OF POLITICAL CONTRIBUTION REFUND AND STATE ELECTIONS CAMPAIGN FUND.]**

(1) If any major political party fails to comply with chapter 207A, it is ineligible to receive any official refund receipt forms from the ethical practices board under section 10A.322, subdivision 4. The party is also prohibited from issuing any refund receipt forms to taxpayers under section 10A.322 and section 290.06, subdivision 23. A taxpayer is not eligible to receive a political contribution refund under section 290.06, subdivision 23 for a donation to a party not in compliance with chapter 207A.

(2) If any major political party fails to comply with chapter 207A its state committee is ineligible to receive any allocation under section 10A.31, subdivision 5.

**Sec. 3. [APPROPRIATION.]**

\$3,000,000 is appropriated from the general fund to the secretary of state to implement section 1. This appropriation is available until June 30, 1993.

**Sec. 4. [EFFECTIVE DATE.]**

This act is effective the day after final enactment."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Kahn et al amendment and the roll was called. There were 21 yeas and 110 nays as follows:

Those who voted in the affirmative were:

Abrams	Kahn	Munger	Schreiber	Vellenga
Anderson, I.	Kelso	O'Connor	Simoneau	
Gutknecht	Knickerbocker	Ogren	Smith	
Hasskamp	Marsh	Orenstein	Solberg	
Hufnagle	Milbert	Osthoff	Vanasek	

Those who voted in the negative were:

Anderson, R.	Dorn	Johnson, A.	Nelson, S.	Seaberg
Anderson, R. H.	Erhardt	Johnson, R.	Newinski	Segal
Battaglia	Farrell	Johnson, V.	Olsen, S.	Skoglund
Bauerly	Frederick	Kalis	Olson, E.	Sparby
Beard	Frerichs	Kinkel	Olson, K.	Stanius
Begich	Garcia	Koppendrayer	Omann	Steenasma
Bertram	Girard	Krambeer	Onnen	Sviggum
Bettermann	Goodno	Krinkie	Orfield	Swenson
Bishop	Greenfield	Krueger	Ostrom	Thompson
Blatz	Gruenes	Lasley	Ozment	Tompkins
Bodahl	Hanson	Leppik	Pellow	Trimble
Boo	Hartle	Lieder	Pelowski	Tunheim
Brown	Haukoos	Limmer	Peterson	Uphus
Carlson	Hausman	Lourey	Pugh	Valento
Carruthers	Heir	Lynch	Reding	Wagenius
Clark	Henry	Macklin	Rest	Waltman
Cooper	Hugoson	Mariani	Rice	Weaver
Dauner	Jacobs	McEachern	Rodosovich	Wejzman
Davids	Janezich	McGuire	Rukavina	Welker
Dawkins	Jaros	McPherson	Runbeck	Welle
Dempsey	Jefferson	Morrison	Sarna	Wenzel
Dille	Jennings	Murphy	Schafer	Winter

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

S. F. No. 1598, A bill for an act relating to elections; changing the year for implementing the presidential primary; eliminating requirement that primary voters identify themselves by party; amending Minnesota Statutes 1990, section 207A.01; repealing Minnesota Statutes 1990, sections 207A.03, subdivision 2; and 207A.08.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 103 yeas and 28 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Dorn	Johnson, A.	Murphy	Seaberg
Anderson, R.	Erhardt	Johnson, R.	Nelson, S.	Segal
Anderson, R. H.	Farrell	Johnson, V.	Newinski	Skoglund
Battaglia	Frederick	Kalis	O'Connor	Smith
Bauerly	Frerichs	Kinkel	Olsen, S.	Sparby
Beard	Garcia	Koppendrayer	Olson, E.	Steenasma
Begich	Girard	Krambeer	Olson, K.	Sviggum
Bertram	Goodno	Krueger	Omann	Swenson
Bettermann	Greenfield	Lasley	Onnen	Thompson
Bodahl	Gruenes	Leppik	Orfield	Tompkins
Boo	Hanson	Lieder	Ostrom	Tunheim
Brown	Hartle	Limmer	Ozment	Uphus
Carlson	Hasskamp	Lourey	Pelowski	Valento
Carruthers	Haukoos	Lynch	Peterson	Waltman
Clark	Hausman	Macklin	Pugh	Wejzman
Cooper	Heir	Mariani	Reding	Welker
Dauner	Hugoson	Marsh	Rest	Welle
Davids	Jacobs	McEachern	Rodosovich	Wenzel
Dawkins	Jaros	McGuire	Runbeck	Winter
Dempsey	Jefferson	McPherson	Sarna	
Dille	Jennings	Morrison	Schafer	

Those who voted in the negative were:

Abrams	Kahn	Ogren	Schreiber	Vellenga
Blatz	Kelso	Orenstein	Simoneau	Wagenius
Gutknecht	Knickerbocker	Osthoff	Solberg	Weaver
Henry	Krinkie	Pellow	Stanius	Spk. Long
Hufnagle	Milbert	Rice	Trimble	
Janezich	Munger	Rukavina	Vanasek	

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

S. F. No. 1622, A bill for an act relating to the Minneapolis park and recreation board; providing for two members appointed by the Minneapolis park and recreation board on the Minneapolis reapportionment commission; establishing standards for park board redistricting.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Kelso	Olsen, S.	Smith
Anderson, I.	Frerichs	Kinkel	Olson, E.	Solberg
Anderson, R.	Garcia	Knickerbocker	Olson, K.	Sparby
Anderson, R. H.	Girard	Koppendraye	Omann	Stanius
Battaglia	Goodno	Krambeer	Onnen	Steensma
Bauerly	Greenfield	Krinkie	Orenstein	Sviggum
Beard	Gruenes	Krueger	Orfield	Swenson
Begich	Gutknecht	Lasley	Osthoff	Thompson
Bertram	Hanson	Leppik	Ostrom	Tompkins
Bettermann	Hartle	Lieder	Ozment	Trimble
Bishop	Hasskamp	Limmer	Pellow	Tunheim
Blatz	Haukoos	Lourey	Pelowski	Uphus
Bodahl	Hausman	Lynch	Peterson	Valento
Boo	Heir	Macklin	Pugh	Vanasek
Brown	Henry	Mariani	Reding	Vellenga
Carlson	Hufnagle	Marsh	Rest	Wagenius
Carruthers	Hugoson	McEachern	Rice	Waltman
Clark	Jacobs	McGuire	Rodosovich	Weaver
Cooper	Janezich	McPherson	Rukavina	Wejzman
Dauner	Jaros	Milbert	Runbeck	Welker
Davids	Jefferson	Morrison	Sarna	Welle
Dawkins	Jennings	Munger	Schafer	Wenzel
Dempsey	Johnson, A.	Murphy	Schreiber	Winter
Dille	Johnson, R.	Nelson, S.	Seaberg	Spk. Long
Dorn	Johnson, V.	Newinski	Segal	
Erhardt	Kahn	O'Connor	Simoneau	
Farrell	Kalis	Ogren	Skoglund	

The bill was passed and its title agreed to.

**MOTIONS AND RESOLUTIONS**

Uphus moved that the name of Jennings be added as an author on H. F. No. 1737. The motion prevailed.

Jaros moved that the name of Bertram be added as an author on H. F. No. 1783. The motion prevailed.

Welker moved that the name of Peterson be added as an author on H. F. No. 1852. The motion prevailed.

Bauerly moved that the name of Lasley be stricken and the name of Cooper be added as an author on H. F. No. 1857. The motion prevailed.

Dauner moved that his name be stricken as an author on H. F. No. 1858. The motion prevailed.

Heir moved that the name of Olsen, S., be added as an author on H. F. No. 1863. The motion prevailed.

Johnson, A., moved that the name of Olsen, S., be added as an author on H. F. No. 1869. The motion prevailed.

Bauerly moved that the following statement be printed in the Permanent Journal of the House:

“It was my intention to vote in the affirmative on Tuesday, January 14, 1992, on final passage of S. F. No. 11.” The motion prevailed.

Cooper moved that the following statement be printed in the Permanent Journal of the House:

“Had I not been excused by the Speaker on Monday, January 13, 1992, when the vote was taken to override the Governor’s line item veto relating to Chapter 265, H. F. No. 700, I would have voted in the affirmative.” The motion prevailed.

Wenzel moved that H. F. No. 1883 be returned to its author. The motion prevailed.

Clark, Jefferson, Kahn, Greenfield and Long introduced:

House Resolution No. 10, A house resolution eulogizing Citizen Earl Craig, Jr.



## SUSPENSION OF RULES

Clark moved that the rules be so far suspended that House Resolution No. 10 be now considered and be placed upon its adoption. The motion prevailed.

## HOUSE RESOLUTION NO. 10

A house resolution eulogizing Citizen Earl Craig, Jr.

*Whereas*, Minnesota has lost:

a man of great ability;  
a teacher;  
an eloquent champion of the poor and people of color;  
an advocate who empowered the powerless;  
a leader in the struggle for civil rights for all;  
a good brother, loving son, and adored uncle;  
an art enthusiast;  
a sports fan; and  
a gifted public philosopher and community builder; and

*Whereas*, citizen Earl Craig, Jr., embodied:

compassion;  
sensitivity;  
commitment;  
a sense of community;  
skill and effectiveness in public service;  
fairness;  
curiosity and passion for ideas;  
renaissance-intellect;  
activism; and  
high principles; *Now, Therefore,*

*Be It Resolved* by the House of Representatives of the State of Minnesota that it offer a moment of silence to acknowledge the passing of "a giant" from the Minnesota public service stage.

Clark moved that House Resolution No. 10 be now adopted. The motion prevailed and House Resolution No. 10 was adopted.

## SUSPENSION OF RULES

Pursuant to House Rule 1.12, Schreiber moved that the rules be so far suspended that S. F. No. 1623 be recalled from the Committee on Regulated Industries, be given its second and third readings and be placed upon its final passage.

A roll call was requested and properly seconded.

The question was taken on the Schreiber motion and the roll was called. There were 86 yeas and 38 nays as follows:

Those who voted in the affirmative were:

Abrams	Erhardt	Kahn	Ogren	Segal
Anderson, R.	Frederick	Kalis	Olsen, S.	Smith
Anderson, R. H.	Frerichs	Knickerbocker	Olson, E.	Sparby
Bertram	Garcia	Koppendrayer	Olson, K.	Stanius
Bettermann	Girard	Krambeer	Omann	Sviggum
Bishop	Goodno	Krinkie	Onnen	Swenson
Blatz	Greenfield	Krueger	Orenstein	Tompkins
Bodahl	Gruenes	Leppik	Osthoff	Uphus
Boo	Gutknecht	Lieder	Ozment	Valento
Carlson	Hartle	Limmer	Pellow	Vanasek
Carruthers	Haukoos	Lourey	Pelowski	Waltman
Cooper	Heir	Lynch	Peterson	Weaver
Dauner	Henry	Macklin	Pugh	Welker
Davids	Hufnagle	Marsh	Rest	Wenzel
Dawkins	Hugoson	McPherson	Runbeck	
Dempsey	Jaros	Morrison	Schafer	
Dille	Johnson, A.	Murphy	Schreiber	
Dorn	Johnson, V.	Newinski	Seaberg	

Those who voted in the negative were:

Anderson, I.	Hanson	Lasley	Reding	Trimble
Battaglia	Hasskamp	Mariani	Rukavina	Vellenga
Bauerly	Hausman	McEachern	Sarna	Wagenius
Beard	Jacobs	McGuire	Simoneau	Wejcman
Begich	Jefferson	Nelson, S.	Skoglund	Welle
Brown	Johnson, R.	O'Connor	Solberg	Winter
Clark	Kelso	Orfield	Steensma	
Farrell	Kinkel	Ostrom	Thompson	

The motion did not prevail.

Welle moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

There being no objection, the order of business reverted to Messages from the Senate.

**MESSAGES FROM THE SENATE**

The following message was received from the Senate:

Madam Speaker:

I hereby announce the adoption by the Senate of the following House Concurrent Resolution, herewith returned:

House Concurrent Resolution No. 6, A house concurrent resolution relating to adjournment for more than three days.

PATRICK E. FLAHAVEN, Secretary of the Senate

**ADJOURNMENT**

Welle moved that when the House adjourns today it adjourn until 2:30 p.m., Tuesday, February 18, 1992. The motion prevailed.

Welle moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Tuesday, February 18, 1992.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



## STATE OF MINNESOTA

## SEVENTY-SEVENTH SESSION—1992

## SIXTY-SEVENTH DAY

SAINT PAUL, MINNESOTA, TUESDAY, FEBRUARY 18, 1992

The House of Representatives convened at 2:30 p.m. and was called to order by Dee Long, Speaker of the House.

Prayer was offered by Monsignor James D. Habiger, House Chaplain.

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

The roll was called and the following members were present:

Abrams	Farrell	Kalis	Ogren	Simoneau
Anderson, I.	Frederick	Kelso	Olsen, S.	Skoglund
Anderson, R.	Frerichs	Kinkel	Olson, E.	Smith
Anderson, R. H.	Garcia	Knickerbocker	Olson, K.	Solberg
Battaglia	Girard	Koppendrayer	Omann	Sparby
Bauerly	Goodno	Krambeer	Onnen	Stanius
Beard	Greenfield	Krinkie	Orenstein	Steensma
Begich	Gruenes	Krueger	Orfield	Sviggum
Bertram	Gutknecht	Lasley	Osthoff	Swenson
Bettermann	Hanson	Leppik	Ostrom	Thompson
Bishop	Hartle	Lieder	Ozment	Tompkins
Blatz	Hasskamp	Limmer	Pauly	Trimble
Bodahl	Haukoos	Lourey	Pellow	Tunheim
Boo	Hausman	Lynch	Pelowski	Uphus
Brown	Heir	Macklin	Peterson	Valento
Carlson	Henry	Marsh	Pugh	Vanasek
Carruthers	Hufnagle	McEachern	Reding	Vellenga
Clark	Jacobs	McGuire	Rest	Wagenius
Cooper	Janezich	McPherson	Rice	Waltman
Dauner	Jaros	Milbert	Rukavina	Weaver
Davids	Jefferson	Morrison	Runbeck	Wejcman
Dawkins	Jennings	Munger	Sarna	Welker
Dempsey	Johnson, A.	Murphy	Schafer	Welle
Dille	Johnson, R.	Nelson, S.	Schreiber	Wenzel
Dorn	Johnson, V.	Newinski	Seaberg	Winter
Erhardt	Kahn	O'Connor	Segal	Spk. Long

A quorum was present.

Hugoson; Mariani; Nelson, K., and Rodosovich were excused.

The Chief Clerk proceeded to read the Journal of the preceding

day. Hasskamp moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

### PETITIONS AND COMMUNICATIONS

The following communication was received:

STATE OF MINNESOTA  
OFFICE OF THE SECRETARY OF STATE  
ST. PAUL 55155

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1992 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S.F.</i> <i>No.</i>	<i>H.F.</i> <i>No.</i>	<i>Session Laws</i> <i>Chapter No.</i>	<i>Time and</i> <i>Date Approved</i> <i>1992</i>	<i>Date Filed</i> <i>1992</i>
11		359	1:51 p.m. January 17	January 17
1621		360	2:48 p.m. January 17	January 17
1622		362	2:38 p.m. January 17	January 17
1562		363	2:45 p.m. January 17	January 17

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

### INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Omman introduced:

H. F. No. 1905, A bill for an act relating to education; requiring school districts to sign a collective bargaining agreement before beginning school; amending Minnesota Statutes 1990, section 124A.22, subdivision 2a.

The bill was read for the first time and referred to the Committee on Education.

Lourey, Battaglia, Rukavina, Ogren and Kinkel introduced:

H. F. No. 1906, A bill for an act relating to capital improvements; providing funds for environmental learning centers; providing for a bond issue; appropriating money.

The bill was read for the first time and referred to the Committee on Appropriations.

Valento and Krambeer introduced:

H. F. No. 1907, A bill for an act relating to crimes; providing that upon conviction of a designated impaired driving offense the conveyance device is subject to forfeiture if used to commit the offense; amending Minnesota Statutes 1990, sections 609.531, subdivision 6a; and 609.5312, subdivision 1; Minnesota Statutes 1991 Supplement, section 609.531, subdivision 1.

The bill was read for the first time and referred to the Committee on Judiciary.

Dorn, Pelowski and Haukoos introduced:

H. F. No. 1908, A bill for an act relating to taxation; sales; modifying the exemption for occasional sales; amending Minnesota Statutes 1991 Supplement, section 297A.25, subdivision 12.

The bill was read for the first time and referred to the Committee on Taxes.

Farrell, O'Connor, Segal and Olsen, S., introduced:

H. F. No. 1909, A bill for an act relating to metropolitan government; providing for additional uses for light rail transit property; proposing coding for new law in Minnesota Statutes, chapter 473.

The bill was read for the first time and referred to the Committee on Transportation.

Rest, Pugh, Abrams, Blatz and Hasskamp introduced:

H. F. No. 1910, A bill for an act relating to corporations; providing for the formation, organization, operation, taxation, management,

and ownership of limited liability companies; prescribing the procedures for filing articles of organization; establishing the powers of a limited liability company; providing for the naming of a limited liability company; providing for the appointment of a resident agent for a limited liability company; establishing the relationship of the members of a limited liability company to each other and to third parties; permitting the merger of one or more limited liability companies with other domestic limited liability companies and domestic and foreign corporations; providing for the dissolution, winding up, and termination of a limited liability company; providing for foreign limited liability companies to do business in this state; defining certain terms; appropriating money; amending Minnesota Statutes 1990, sections 290.01, by adding a subdivision; 302A.011, subdivision 19; 302A.115, subdivision 1; 302A.121, subdivision 2; 302A.601, by adding a subdivision; 308A.005, subdivision 6; 308A.121, subdivision 1; 317A.011, subdivision 16; 317A.115, subdivision 2; 319A.02, subdivision 5, and by adding a subdivision; 319A.03; 319A.05; 319A.06, subdivision 2; 319A.07; 319A.12, subdivisions 1a and 2; 319A.20; 322A.01; 322A.02; 333.001; 333.18, subdivision 2; 333.20, subdivision 2; and 333.21, subdivision 1; Minnesota Statutes 1991 Supplement, sections 290.06, subdivision 22; and 302A.471, subdivision 1; proposing coding for new law as Minnesota Statutes, chapter 322B.

The bill was read for the first time and referred to the Committee on Judiciary.

Kinkel and Johnson, R., introduced:

H. F. No. 1911, A bill for an act relating to Hubbard county; authorizing the private sale of certain land which was exchanged for tax-forfeited land.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Welle introduced:

H. F. No. 1912, A bill for an act relating to education; deleting a condition to the sale and issuance of certain bonds; amending Minnesota Statutes 1991 Supplement, section 124.479.

The bill was read for the first time and referred to the Committee on Education.

Carruthers introduced:

H. F. No. 1913, A bill for an act relating to education; modifying



the computation for capital expenditure facilities revenue; amending Minnesota Statutes 1990, section 124.243, subdivision 2.

The bill was read for the first time and referred to the Committee on Education.

Pugh and Milbert introduced:

H. F. No. 1914, A bill for an act relating to education; providing fund balance limit exceptions and levy and aid adjustments to the South St. Paul school district.

The bill was read for the first time and referred to the Committee on Education.

Anderson, I., introduced:

H. F. No. 1915, A bill for an act relating to health; adding an exception to the nursing home moratorium; amending Minnesota Statutes 1991 Supplement, section 144A.071, subdivision 3.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Anderson, R.; Vellenga; McGuire; Greenfield and Solberg introduced:

H. F. No. 1916, A bill for an act relating to crimes; creating an advisory task force to study ways to combat violence against women; prescribing duties; appropriating money.

The bill was read for the first time and referred to the Committee on Judiciary.

Rest, Mariani, Morrison, Vellenga and Welle introduced:

H. F. No. 1917, A bill for an act relating to education; extending a special levy for school districts for crime related costs; amending Minnesota Statutes 1991 Supplement, section 275.125, subdivision 6j.

The bill was read for the first time and referred to the Committee on Education.

Sviggum, Henry, Uphus, Gutknecht and Waltman introduced:

H. F. No. 1918, A bill for an act relating to health care; providing access to affordable health care; regulating coverages; establishing premium supplements; initiating health care reform procedures; creating a commission and various advisory committees; regulating small employer health benefits; establishing revenue mechanisms including appropriations and taxes; appropriating money; amending Minnesota Statutes 1990, sections 60A.15, subdivision 1; 136A.1355, subdivisions 2 and 3; 290.01, subdivision 19b; 297.02, by adding a subdivision; and 297.13, subdivision 1; Minnesota Statutes 1991 Supplement, sections 62A.31, subdivision 1; and 297.03, subdivision 5; proposing coding for new law in Minnesota Statutes, chapters 62E; 62J; 136A; 144; 144A; and 145; proposing coding for new law as Minnesota Statutes, chapter 62K; repealing Minnesota Statutes 1990, sections 144.1465; and 144.147, subdivisions 1, 2, 3, and 4.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Pelowski and Johnson, V., introduced:

H. F. No. 1919, A bill for an act relating to appropriations; granting an extension of time to secure federal matching appropriations for an upper Mississippi river environmental education center.

The bill was read for the first time and referred to the Committee on Appropriations.

Runbeck, Morrison, Erhardt, Bettermann and Dempsey introduced:

H. F. No. 1920, A bill for an act relating to health care; providing access to affordable health care; regulating coverages; establishing premium supplements; initiating health care reform procedures; creating a commission and various advisory committees; regulating small employer health benefits; establishing revenue mechanisms including appropriations and taxes; appropriating money; amending Minnesota Statutes 1990, sections 60A.15, subdivision 1; 136A.1355, subdivisions 2 and 3; 290.01, subdivision 19b; 297.02, by adding a subdivision; and 297.13, subdivision 1; Minnesota Statutes 1991 Supplement, sections 62A.31, subdivision 1; and 297.03, subdivision 5; proposing coding for new law in Minnesota Statutes, chapters 62E; 62J; 136A; 144; 144A; and 145; proposing coding for new law as Minnesota Statutes, chapter 62K; repealing Minnesota Statutes 1990, sections 144.1465; and 144.147, subdivisions 1, 2, 3, and 4.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Peterson; Vellenga; Nelson, S.; Bodahl and Smith introduced:

H. F. No. 1921, A bill for an act relating to courts; grandparent visitation; clarifying that visitation may be sought after completion of proceedings for dissolution, custody, legal separation, annulment, or determination of parentage; amending Minnesota Statutes 1990, sections 257.022, subdivision 2; and 518.175, subdivision 7.

The bill was read for the first time and referred to the Committee on Judiciary.

Hasskamp, by request, introduced:

H. F. No. 1922, A bill for an act relating to unemployment compensation; modifying successor liability for unpaid contributions; amending Minnesota Statutes 1990, section 268.162, subdivision 1.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Onnen; Newinski; Olsen, S.; Knickerbocker and Anderson, R. H., introduced:

H. F. No. 1923, A bill for an act relating to health care; providing access to affordable health care; regulating coverages; establishing premium supplements; initiating health care reform procedures; creating a commission and various advisory committees; regulating small employer health benefits; establishing revenue mechanisms including appropriations and taxes; appropriating money; amending Minnesota Statutes 1990, sections 60A.15, subdivision 1; 136A.1355, subdivisions 2 and 3; 290.01, subdivision 19b; 297.02, by adding a subdivision; and 297.13, subdivision 1; Minnesota Statutes 1991 Supplement, sections 62A.31, subdivision 1; and 297.03, subdivision 5; proposing coding for new law in Minnesota Statutes, chapters 62E; 62J; 136A; 144; 144A; and 145; proposing coding for new law as Minnesota Statutes, chapter 62K; repealing Minnesota Statutes 1990, sections 144.1465; and 144.147, subdivisions 1, 2, 3, and 4.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Bauerly, McEachern, Cooper and Olson, K., introduced:

H. F. No. 1924, A bill for an act relating to education; modifying the enrollment requirements for school district eligibility for debt service equalization revenue; amending Minnesota Statutes 1991 Supplement, section 124.95, subdivision 2.

The bill was read for the first time and referred to the Committee on Education.

McPherson and Gutknecht introduced:

H. F. No. 1925, A bill for an act relating to taxation; property; providing for the valuation and assessment of vacant platted property; amending Minnesota Statutes 1991 Supplement, section 273.11, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

Valento introduced:

H. F. No. 1926, A bill for an act relating to lawful gambling; authorizing expenditures on facilities and activities for persons age 55 or over as a lawful purpose; amending Minnesota Statutes 1991 Supplement, section 349.12, subdivision 25.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Stanius introduced:

H. F. No. 1927, A bill for an act relating to local government; allowing the city of White Bear Lake to purchase the Manitou Ridge Golf Course from Ramsey county; amending Minnesota Statutes 1990, section 383A.07, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Valento, Seaberg, Swenson, McPherson and Krambeer introduced:

H. F. No. 1928, A bill for an act relating to health care; providing access to affordable health care; regulating coverages; establishing premium supplements; initiating health care reform procedures; creating a commission and various advisory committees; regulating small employer health benefits; establishing revenue mechanisms

including appropriations and taxes; appropriating money; amending Minnesota Statutes 1990, sections 60A.15, subdivision 1; 136A.1355, subdivisions 2 and 3; 290.01, subdivision 19b; 297.02, by adding a subdivision; and 297.13, subdivision 1; Minnesota Statutes 1991 Supplement, sections 62A.31, subdivision 1; and 297.03, subdivision 5; proposing coding for new law in Minnesota Statutes, chapters 62E; 62J; 136A; 144; 144A; and 145; proposing coding for new law as Minnesota Statutes, chapter 62K; repealing Minnesota Statutes 1990, sections 144.1465; and 144.147, subdivisions 1, 2, 3, and 4.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Dorn; Ostrom; Anderson, R. H.; Haukoos and Frederick introduced:

H. F. No. 1929, A bill for an act relating to higher education; setting the cost of attendance for certain student financial aid; amending Minnesota Statutes 1991 Supplement, section 136A.121, subdivision 6.

The bill was read for the first time and referred to the Committee on Education.

Kinkel, Milbert, Solberg, Frederick and Lasley introduced:

H. F. No. 1930, A bill for an act relating to lawful gambling; establishing a new class of license for organizations with less than \$10,000 gross bingo receipts in a year; imposing limits on holders of the license; directing the lawful gambling control board to simplify record keeping requirements for organizations not required to use numbered bingo cards; amending Minnesota Statutes 1990, sections 349.16, subdivisions 2 and 6; 349.18, by adding a subdivision; and 349.19, subdivision 1; Minnesota Statutes 1991 Supplement, sections 349.15; and 349.165, subdivisions 1 and 3.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Murphy, Rodosovich, Ogren and Jacobs introduced:

H. F. No. 1931, A bill for an act relating to energy; providing incentives for the use of renewable sources of electric energy; exempting wind energy conversion systems from sales taxation; amending Minnesota Statutes 1990, section 297A.25, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Energy.

Ostrom, Rodosovich, Brown, Trimble and Davids introduced:

H. F. No. 1932, A bill for an act relating to public investments; providing that certain debt is not approved for investment; amending Minnesota Statutes 1990, section 473.666.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Anderson, R., introduced:

H. F. No. 1933, A bill for an act relating to highways; changing description of a route in the state highway system.

The bill was read for the first time and referred to the Committee on Transportation.

Clark and Ogren introduced:

H. F. No. 1934, A bill for an act relating to housing; modifying requirements for lead education, assessment, screening, and abatement; transferring rule authority from the commissioner of the pollution control agency to the commissioner of health; establishing a lead abatement account in the housing development fund; creating a lead abatement and training program; establishing a lead abatement program; creating a lead fund; establishing a lead abatement fee on petroleum storage tanks; establishing a paint tax; providing penalties; amending Minnesota Statutes 1990, sections 144.871, subdivisions 6, 8, and by adding subdivisions; 144.872, subdivisions 1, 2, 4, and by adding a subdivision; 144.873, subdivisions 2 and 3; 144.876; and 144.878, subdivision 2, and by adding a subdivision; Minnesota Statutes 1991 Supplement, sections 144.871, subdivision 2; 144.873, subdivision 1; 144.874, subdivisions 1 and 12; and 462A.05, subdivision 15c; proposing coding for new law in Minnesota Statutes, chapters 115C; and 268; proposing coding for new law as Minnesota Statutes, chapter 297E; repealing Minnesota Statutes 1990, sections 116.51; 116.52; 116.53, subdivision 1; and 144.878, subdivision 4.

The bill was read for the first time and referred to the Committee on Housing.

Hanson introduced:

H. F. No. 1935, A bill for an act relating to courts; creating a new judicial district; amending Minnesota Statutes 1991 Supplement, section 2.722, subdivision 1.

The bill was read for the first time and referred to the Committee on Judiciary.

Waltman introduced:

H. F. No. 1936, A bill for an act relating to waters; allowing exchange of certain state-owned lands for privately owned lands; amending Minnesota Statutes 1991 supplement, section 282.018, subdivision 2.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Hartle introduced:

H. F. No. 1937, A bill for an act relating to motor vehicles; adding vehicles to classic car category for vehicle registration purposes; amending Minnesota Statutes 1991 Supplement, section 168.10, subdivision 1b.

The bill was read for the first time and referred to the Committee on Transportation.

Pugh, Carruthers and Seaberg introduced:

H. F. No. 1938, A bill for an act relating to real property; providing for mortgage satisfaction or release by fewer than all mortgagees; regulating various notice, hearing, and other procedures and requirements for foreclosures and other involuntary transfers of real property; clarifying provisions relating to notice of termination of contract for deed; amending Minnesota Statutes 1990, sections 508.57; 508.58; 508.67; 508A.58; 514.08, subdivision 2; 514.10; 559.21, subdivisions 2a and 3; 580.15; and 582.01, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 507; and 580.

The bill was read for the first time and referred to the Committee on Judiciary.

Dempsey introduced:

H. F. No. 1939, A bill for an act relating to education; modifying the fund balance reduction; providing for a retroactive effective date; amending Minnesota Statutes 1990, section 124A.26, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Education.

Greenfield and Segal introduced:

H. F. No. 1940, A bill for an act relating to human services; extending the exemption from the Minnesota supplemental aid rate cap to allow payments at the case mix rate for certain medical assistance certified boarding care facilities and nursing homes declared institutions for mental disease; amending Minnesota Statutes 1991 Supplement, section 256I.05, subdivision 2.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Jefferson introduced:

H. F. No. 1941, A bill for an act relating to children; establishing a general preference for adoption by relatives; amending Minnesota Statutes 1990, section 259.28, subdivision 2.

The bill was read for the first time and referred to the Committee on Judiciary.

Anderson, R., and Anderson, I., introduced:

H. F. No. 1942, A bill for an act relating to local government; authorizing cities to impose a service charge for fighting fires; proposing coding for new law in Minnesota Statutes, chapter 438.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

O'Connor; Jacobs; Anderson, I.; Osthoff and Stanius introduced:

H. F. No. 1943, A bill for an act relating to utilities; providing for protection of certain nonpublic data submitted to public utilities commission by telephone companies; clarifying authority of commission to reinstate original rate for a telephone service subject to emerging competition on finding proposed rate is below incremental



cost or is not just and reasonable; requiring commission to make final decision within six months on rate increase of telephone service subject to effective competition; amending Minnesota Statutes 1990, section 237.60, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 237.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Seaberg introduced:

H. F. No. 1944, A bill for an act relating to highway traffic regulations; correcting obsolete language pertaining to speed-measuring devices; amending Minnesota Statutes 1990, section 169.14, subdivision 10.

The bill was read for the first time and referred to the Committee on Judiciary.

Seaberg introduced:

H. F. No. 1945, A bill for an act relating to crime; limiting the use of certain conditions of probation or pretrial release for persons convicted or accused of certain crimes; amending Minnesota Statutes 1990, section 609.135, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 629.

The bill was read for the first time and referred to the Committee on Judiciary.

Kinkel introduced:

H. F. No. 1946, A bill for an act relating to education; authorizing school bus transportation for learning readiness programs; amending Minnesota Statutes 1990, section 123.39, subdivision 8d.

The bill was read for the first time and referred to the Committee on Education.

Kinkel introduced:

H. F. No. 1947, A bill for an act relating to Hubbard county; authorizing the private sale of certain land which was exchanged for tax-forfeited land.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Carruthers, Skoglund, Dempsey and Onnen introduced:

H. F. No. 1948, A bill for an act relating to life insurance; authorizing policies for the benefit of a charity; proposing coding for new law in Minnesota Statutes, chapters 61A; and 309.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

McEachern introduced:

H. F. No. 1949, A bill for an act relating to taxation; property; exempting the city of Otsego from levy limits.

The bill was read for the first time and referred to the Committee on Taxes.

McEachern introduced:

H. F. No. 1950, A bill for an act relating to local government; city of Otsego; providing an excess levy penalty abatement.

The bill was read for the first time and referred to the Committee on Taxes.

Begich, Sarna, Rukavina, Beard and Wenzel introduced:

H. F. No. 1951, A bill for an act relating to workers' compensation; modifying insurance regulations; permitting adoption of administrative rules; providing hearing procedures; appropriating money; amending Minnesota Statutes 1990, sections 79.01, subdivision 1; 79.074, by adding subdivisions; 79.252, by adding a subdivision; 79.50; 79.59; 176.185, subdivision 1; and 176A.03, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 79.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Rukavina, Winter, Begich and Sarna introduced:

H. F. No. 1952, A bill for an act relating to workers' compensation; regulating benefits and insurance; establishing a permanent commission on workers' compensation; creating a health and safety fund; providing penalties; appropriating money; amending Minnesota Statutes 1990, sections 79.252, by adding a subdivision; 79A.02, by adding subdivisions; 79A.03, subdivisions 3, 4, 7, and 9; 79A.04,

subdivision 2; 79A.06, subdivision 5; 176.011, subdivisions 3, 9, 11a, and 18; 176.081, subdivisions 1, 2, and 3; 176.101, subdivisions 1, 2, and 3f; 176.102, subdivisions 1, 1a, 2, 3, 3a, 4, 6, 9, and 11; 176.103, subdivision 3; 176.106, subdivision 6, and by adding a subdivision; 176.111, subdivision 18; 176.129, subdivision 10; 176.135, subdivisions 1, 6, and 7; 176.136, subdivisions 1, 2, and by adding subdivisions; 176.138; 176.139, subdivision 2; 176.155, subdivision 1, and by adding a subdivision; 176.181, subdivisions 3 and 7; 176.182; 176.185, subdivisions 1 and 5a; 176.191, subdivisions 1, 2, 3, and 4; 176.194, subdivision 4; 176.221, subdivisions 3, 3a, and 7; 176.231, subdivision 10; 176.261; 176.645, subdivisions 1 and 2; 176.83, subdivisions 5, 6, and by adding a subdivision; 176.84, subdivision 2; 176A.03, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 79A; 175; and 176; repealing Minnesota Statutes 1990, sections 175.007; 176.136, subdivision 5; and 176.191, subdivisions 5, 6, 7, and 8, and Minnesota Statutes, chapters 79, 175A, and 176.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Valento introduced:

H. F. No. 1953, A bill for an act relating to mechanics' liens; providing for the reattachment of a lien where certain transfers are avoided under the federal bankruptcy code; amending Minnesota Statutes 1990, sections 514.011, subdivision 2; and 514.07.

The bill was read for the first time and referred to the Committee on Judiciary.

O'Connor and Clark introduced:

H. F. No. 1954, A bill for an act relating to landlord and tenants; prohibiting owners from charging for tenant reports; requiring that copies of tenant reports be furnished to prospective tenants in certain circumstances; amending Minnesota Statutes 1990, section 504.30, subdivision 5.

The bill was read for the first time and referred to the Committee on Housing.

Segal introduced:

H. F. No. 1955, A bill for an act relating to traffic regulations; extending the definition of disabled persons; amending Minnesota Statutes 1990, section 169.345, subdivision 2.

The bill was read for the first time and referred to the Committee on Transportation.

Anderson, R., introduced:

H. F. No. 1956, A bill for an act relating to the local government trust fund; providing for payment from the fund for fiscal years 1994 and 1995; appropriating money.

The bill was read for the first time and referred to the Committee on Taxes.

Battaglia introduced:

H. F. No. 1957, A bill for an act relating to Cook county hospital district; providing for terms for Cook county hospital district board members; amending Laws 1989, chapter 211, section 8, subdivision 3.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Vellenga and Garcia introduced:

H. F. No. 1958, A bill for an act relating to juveniles; establishing a youth employment and education pilot program; appropriating money for the pilot program and for family-based services under the family preservation act.

The bill was read for the first time and referred to the Committee on Education.

Rest and Hanson introduced:

H. F. No. 1959, A bill for an act relating to crime; increasing penalties for certain sex offenders; providing for life imprisonment for certain repeat sex offenders; increasing supervision of sex offenders following release from prison; eliminating the "good time" reduction in a prison sentence unless a sex offender satisfactorily completes a treatment program in prison; prohibiting the release of a prison inmate on a weekend or holiday; requiring review of sex offenders for psychopathic personality commitment before prison release; amending Minnesota Statutes 1990, sections 241.67, subdivision 3; 244.04, subdivision 1; 244.05, subdivisions 1, 3, 4, 5, and by adding a subdivision; 609.1352, subdivision 5, and by adding a subdivision; 609.342, subdivision 2; 609.343, subdivision 2; 609.346, subdivisions 2, 2a, and by adding a subdivision; Minnesota Statutes

1991 Supplement, sections 244.05, subdivision 6; and 244.12, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 609.

The bill was read for the first time and referred to the Committee on Judiciary.

Reding; O'Connor; Johnson, R.; Jefferson and Knickerbocker introduced:

H. F. No. 1960, A bill for an act relating to retirement; changing the formula governing calculation of postretirement adjustments for certain public pension plans; amending Minnesota Statutes 1990, section 11A.18, subdivision 9.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Skoglund introduced:

H. F. No. 1961, A bill for an act relating to courts; requiring certain judgment debtors in district court to make certain disclosures to judgment creditors; amending Minnesota Statutes 1990, sections 487.30, by adding a subdivision; 488A.17, by adding a subdivision; and 488A.34, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Judiciary.

Anderson, R., introduced:

H. F. No. 1962, A bill for an act relating to lawful gambling; providing that repair and maintenance of real property by certain organizations is a lawful purpose; amending Minnesota Statutes 1991 Supplement, section 349.12, subdivision 25.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Segal introduced:

H. F. No. 1963, A bill for an act relating to education; authorizing a school district to convert existing referendum authority from a percentage of net tax capacity to an amount per pupil unit; amending Minnesota Statutes 1991 Supplement, section 124A.03, subdivision 2a.

The bill was read for the first time and referred to the Committee on Education.

Segal introduced:

H. F. No. 1964, A bill for an act relating to education; making home visits to prevent child abuse and neglect part of the early childhood family education program; authorizing grants for ECFE programs that serve at-risk families and communities of color; appropriating money; amending Minnesota Statutes 1990, section 121.882, by adding a subdivision; Minnesota Statutes 1991 Supplement, section 121.882, subdivision 2.

The bill was read for the first time and referred to the Committee on Education.

Skoglund, Kinkel, Battaglia, Munger and Swenson introduced:

H. F. No. 1965, A bill for an act relating to natural resources; providing for the management of ecologically harmful exotic species; requiring rulemaking; providing penalties; appropriating money; amending Minnesota Statutes 1990, sections 18.317, subdivisions 1, 2, 3, 5, and by adding a subdivision; 86B.401, subdivision 11; Minnesota Statutes 1991 Supplement, section 84.9691; proposing coding for new law in Minnesota Statutes, chapters 84; and 97A.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Welle introduced:

H. F. No. 1966, A bill for an act relating to retirement; increasing the minimum size of public pension plans required to prepare and file investment performance reports; amending Minnesota Statutes 1990, section 356.218, subdivision 2.

The bill was read for the first time and referred to the Committee on Governmental Operations.

## MOTIONS AND RESOLUTIONS

Rest moved that the name of Jacobs be added as an author on H. F. No. 1573. The motion prevailed.

Hanson moved that the name of Swenson be added as an author on H. F. No. 1856. The motion prevailed.

Tunheim moved that the name of Cooper be added as an author on H. F. No. 1859. The motion prevailed.

Wenzel moved that the name of Limmer be added as an author on H. F. No. 1860. The motion prevailed.

Bishop moved that the name of Peterson be added as an author on H. F. No. 1877. The motion prevailed.

Thompson moved that the name of Lourey be added as an author on H. F. No. 1887. The motion prevailed.

Simoneau moved that the name of Anderson, R., be added as an author on H. F. No. 1903. The motion prevailed.

Johnson, R., moved that H. F. No. 1898 be returned to its author. The motion prevailed.

#### ADJOURNMENT

Welle moved that when the House adjourns today it adjourn until 2:30 p.m., Thursday, February 20, 1992. The motion prevailed.

Welle moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Thursday, February 20, 1992.

EDWARD A. BURDICK, Chief Clerk, House of Representatives





## STATE OF MINNESOTA

## SEVENTY-SEVENTH SESSION—1992

## SIXTY-EIGHTH DAY

SAINT PAUL, MINNESOTA, THURSDAY, FEBRUARY 20, 1992

The House of Representatives convened at 2:30 p.m. and was called to order by Dee Long, Speaker of the House.

Prayer was offered by the Reverend Dean Arthur Nosek, First United Methodist Church, Blue Earth, Minnesota.

The roll was called and the following members were present:

Abrams	Frederick	Kalis	O'Connor	Simoneau
Anderson, I.	Frerichs	Kelso	Ogren	Skoglund
Anderson, R.	Garcia	Kinkel	Olsen, S.	Smith
Anderson, R. H.	Girard	Knickerbocker	Olsen, E.	Solberg
Battaglia	Goodno	Koppendrayer	Olsen, K.	Sparby
Bauerly	Greenfield	Krambeer	Omann	Stanius
Beard	Gruenes	Krueger	Onnen	Steensma
Begich	Gutknecht	Lasley	Orenstein	Sviggum
Bertram	Hanson	Leppik	Orfield	Swenson
Bettermann	Hartle	Lieder	Osthoff	Thompson
Bishop	Hasskamp	Limmer	Ostrom	Tompkins
Blatz	Haukoos	Lourey	Ozment	Trimble
Bodahl	Hausman	Lynch	Pauly	Tunheim
Boo	Heir	Macklin	Pellow	Valento
Brown	Henry	Mariani	Pelowski	Vanasek
Carlson	Hufnagle	Marsh	Peterson	Vellenga
Carruthers	Hugoson	McEachern	Pugh	Wagenius
Clark	Jacobs	McGuire	Reding	Waltman
Cooper	Janezich	McPherson	Rest	Wejeman
Dauner	Jaros	Milbert	Rice	Welker
Davids	Jefferson	Morrison	Rodosovich	Welle
Dawkins	Jennings	Munger	Rukavina	Wenzel
Dempsey	Johnson, A.	Murphy	Runbeck	Winter
Dille	Johnson, R.	Nelson, K.	Sarna	Spk. Long
Dorn	Johnson, V.	Nelson, S.	Seaberg	
Farrell	Kahn	Newinski	Segal	

A quorum was present.

Erhardt, Krinkie, Schafer, Schreiber, Uphus and Weaver were excused.

The Chief Clerk proceeded to read the Journal of the preceding day. Winter moved that further reading of the Journal be dispensed

with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

## REPORTS OF STANDING COMMITTEES

Segal from the Committee on Economic Development to which was referred:

H. F. No. 1862, A bill for an act relating to the city of Minneapolis; extending authority to guarantee certain loans; amending Laws 1988, chapter 594, section 6.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Skoglund from the Committee on Financial Institutions and Insurance to which was referred:

H. F. No. 1901, A bill for an act relating to insurance; property and casualty; regulating certain terminations and modifications or changes to certain agent agreements; modifying the definition of loss ratio experience; modifying membership in the board of review; amending Minnesota Statutes 1990, sections 60A.172; and 60A.177, subdivision 3.

Reported the same back with the following amendments:

Page 2, line 7, after the period insert "The third member shall be mutually agreed upon by both parties. If the parties do not agree upon a third member,"

Page 2, line 12, after the period insert "The insurer and the agent shall each pay one-half of any fee charged by the American Arbitration Association or by the review board member provided by the American Arbitration Association."

Page 2, after line 19, insert:

"Sec. 3. [EFFECTIVE DATE.]

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

With the recommendation that when so amended the bill pass.

The report was adopted.

Skoglund from the Committee on Financial Institutions and Insurance to which was referred:

H. F. No. 1948, A bill for an act relating to life insurance; authorizing policies for the benefit of a charity; proposing coding for new law in Minnesota Statutes, chapters 61A; and 309.

Reported the same back with the following amendments:

Page 1, delete lines 11 and 12

Page 1, line 13, delete "organization has" and insert "shall have" and delete "the person" and insert "an individual"

Page 1, line 14, after "insured" insert "under a life insurance policy"

Page 1, delete lines 21 to 24

Page 1, line 25, delete "3" and insert "2"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

## **SECOND READING OF HOUSE BILLS**

H. F. Nos. 1862, 1901 and 1948 were read for the second time.

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

The following House Files were introduced:

Carruthers, Lourey, Pauly, Rice and Weaver introduced:

H. F. No. 1967, A bill for an act relating to taxation; imposing

taxes, increasing tax rates, and dedicating tax revenues for support of nonprofit arts organizations; providing for distribution of the tax proceeds as determined by the state board of the arts; amending Minnesota Statutes 1990, sections 129D.01; 290.62; 297A.02, by adding subdivisions; Minnesota Statutes 1991 Supplement, sections 297A.44, subdivision 1; and 349A.10, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 129D.

The bill was read for the first time and referred to the Committee on Taxes.

Blatz, Wagenius, Vellenga and Bishop introduced:

H. F. No. 1968, A bill for an act relating to crimes; expanding the sex offender registration law to require offenders to register when convicted of crimes against certain adult victims; regulating the conditions of probation imposed on convicted sex offenders; amending Minnesota Statutes 1990, sections 609.135, by adding a subdivision; 609.342, subdivision 3; 609.343, subdivision 3; 609.344, subdivision 3; 609.345, subdivision 3; and 609.346, subdivision 2; Minnesota Statutes 1991 Supplement, section 243.166, subdivision 1.

The bill was read for the first time and referred to the Committee on Judiciary.

Blatz and Henry introduced:

H. F. No. 1969, A bill for an act relating to education; providing for the location of a school within a retail and entertainment complex; amending Minnesota Statutes 1990, section 340A.509.

The bill was read for the first time and referred to the Committee on Education.

Trimble introduced:

H. F. No. 1970, A bill for an act relating to the environment; pesticides; requiring that notice be given before application of a pesticide in surface waters of the state; proposing coding for new law in Minnesota Statutes, chapter 18B.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Johnson, V.; Olson, E.; Lieder; Schreiber and Anderson, I., introduced:

H. F. No. 1971, A bill for an act relating to counties; providing for a tax levy for land management systems; amending Minnesota Statutes 1990, section 381.12, subdivision 2.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Winter; Skoglund; Dille; Johnson, R., and Steensma introduced:

H. F. No. 1972, A bill for an act relating to government purchasing; requiring the state to purchase, use, and require contractors to use packing materials made of renewable resources; proposing coding for new law in Minnesota Statutes, chapter 16B.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Winter; Johnson, R.; Steensma; Nelson, S., and McGuire introduced:

H. F. No. 1973, A bill for an act relating to the environment; prohibiting the sale of petroleum-based sweeping compound; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 325E.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Olson, K.; Bauerly; McEachern; Tunheim and Waltman introduced:

H. F. No. 1974, A bill for an act relating to education; authorizing equity guarantee revenue for school districts at and below the 95th percentile for supplemental and referendum revenue; appropriating money; amending Minnesota Statutes 1990, sections 124A.22, subdivision 1; 124A.23, subdivision 3; and 124A.26, subdivision 2; Minnesota Statutes 1991 Supplement, sections 124A.23, subdivision 4; and 124A.24; proposing coding for new law in Minnesota Statutes, chapter 124A.

The bill was read for the first time and referred to the Committee on Education.

Vellenga, Solberg, Wejzman, Swenson and Bettermann introduced:

H. F. No. 1975, A bill for an act relating to corrections; requiring community-based sex offender treatment programs to be certified; establishing a sex offender treatment fund; requiring the legislative auditor to prepare a plan to implement an outcome-based evaluation and quality management system for sex offender treatment programs; requiring a report; amending Minnesota Statutes 1990, section 241.67, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 241.

The bill was read for the first time and referred to the Committee on Judiciary.

Bishop introduced:

H. F. No. 1976, A bill for an act relating to Olmsted county; permitting certain exemptions for the conveyance of certain county property.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Trimble, Solberg, Wagenius and Blatz introduced:

H. F. No. 1977, A bill for an act relating to water; requiring criteria for water deficiency declarations; prohibiting the use of groundwater for lake level maintenance; requiring review of water appropriation permits; requiring contingency planning for water shortages; changing water appropriation permit requirements; requiring changes to the metropolitan area water supply plan; requiring reports to the legislature; appropriating money; amending Minnesota Statutes 1990, sections 103G.101, subdivision 1; 103G.261; 103G.271, by adding subdivisions; 103G.281, subdivisions 2 and 3; 103G.285, subdivision 1; 115.03, subdivision 1; 473.175, subdivision 1; 473.851; 473.858, by adding a subdivision; and 473.859, subdivisions 3, 4, and by adding a subdivision; Minnesota Statutes 1991 Supplement, section 473.156, subdivision 1; repealing Minnesota Statutes 1990, section 103G.285, subdivision 6.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Cooper, Rodosovich, Segal, Stanius and Greenfield introduced:

H. F. No. 1978, A bill for an act relating to health; regulating ionizing radiation; delaying the effective date of existing quality

assurance rules; requiring the adoption of quality assurance rules for the practice of dentistry.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Jefferson introduced:

H. F. No. 1979, A bill for an act relating to retirement; public employees retirement association; authorizing a purchase of prior service credit for certain construction equipment operators in a city of the first class.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Pugh introduced:

H. F. No. 1980, A bill for an act relating to insurance; regulating the structure and functions of the Minnesota automobile insurance plan; amending Minnesota Statutes 1990, sections 65B.01; 65B.02, subdivisions 1, 4, and 7; 65B.03, subdivision 1; 65B.04, subdivisions 3 and 4; 65B.05; 65B.06; 65B.07, subdivision 4; 65B.08, subdivisions 1 and 2; 65B.09; 65B.10; and 65B.12, subdivision 1; repealing Minnesota Statutes 1990, sections 65B.04, subdivisions 1 and 2; and 65B.07, subdivision 2.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Garcia, Seaberg, Hasskamp, Dorn and Blatz introduced:

H. F. No. 1981, A bill for an act relating to the metropolitan airports commission; prohibiting the commission from constructing or extending certain facilities; amending Minnesota Statutes 1991 Supplement, section 473.616, subdivision 1.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Greenfield, Bishop and Orenstein introduced:

H. F. No. 1982, A bill for an act relating to health; establishing a children's health care mediator; providing for reporting by parents relying on religious or philosophical healing practices and investigation and intervention in cases involving a serious health condition; modifying provisions dealing with children in need of

protection or services and termination of parental rights; amending Minnesota Statutes 1990, sections 144.651, by adding a subdivision; 260.191, subdivision 1; 260.221, by adding a subdivision; and 626.556, subdivision 10; proposing coding for new law in Minnesota Statutes, chapter 145A.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Jennings; Anderson, I.; Janezich; Johnson, V., and Morrison introduced:

H. F. No. 1983, A bill for an act relating to local planning and zoning; providing for the administration of land use controls; defining authority of local government units; providing for procedures and records; providing penalties; amending Minnesota Statutes 1990, section 473.858, subdivision 1; proposing coding for new law as Minnesota Statutes, chapter 465A; repealing Minnesota Statutes 1990, sections 366.10; 366.11; 366.12; 366.13; 366.14; 366.15; 366.16; 366.17; 366.18; 366.181; 394.21; 394.22; 394.23; 394.24; 394.25; 394.26; 394.27; 394.28; 394.29; 394.30; 394.301; 394.312; 394.32; 394.33; 394.34; 394.35; 394.36; 394.361; 394.362; 394.37; 462.351; 462.352; 462.353; 462.354; 462.355; 462.356; 462.357; 462.358; 462.3585; 462.359; 462.3595; 462.3597; 462.36; 462.361; 462.362; 462.363; and 462.364.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Johnson, A.; Greenfield; Jefferson; Kelso and Blatz introduced:

H. F. No. 1984, A bill for an act relating to health; expanding children's health plan eligibility to include pregnant women; appropriating money; amending Minnesota Statutes 1990, section 256.936, subdivisions 1, 2, 3, and 4.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Wagenius; Munger; Anderson, R.; Long and Ozment introduced:

H. F. No. 1985, A bill for an act relating to the environment; providing protection from liability for releases of hazardous substances to persons not otherwise liable who undertake and complete cleanup actions under an approved cleanup plan; providing for submission and approval of cleanup plans and supervision of cleanup by the commissioner of the pollution control agency; authorizing the commissioner of the pollution control agency to issue



determinations or enter into agreements with property owners near the source of releases of hazardous substances regarding future cleanup liability; appropriating money; amending Minnesota Statutes 1990, section 115B.17, subdivision 14; proposing coding for new law in Minnesota Statutes, chapter 115B.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Garcia introduced:

H. F. No. 1986, A bill for an act relating to education; authorizing independent school district No. 280, Richfield, to change certain parts of its health and safety plan.

The bill was read for the first time and referred to the Committee on Education.

Dempsey; Olsen, S.; Stanius and Frerichs introduced:

H. F. No. 1987, A bill for an act relating to the department of finance; providing for state financial management reform; defining and dealing with working papers; amending Minnesota Statutes 1990, sections 16A.04, subdivision 1; 16A.11, by adding a subdivision; 16A.14, by adding a subdivision; and 16A.15, subdivisions 1 and 5; Minnesota Statutes 1991 Supplement, sections 16A.105; 16A.11, subdivision 1; and 16A.15, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 16A.

The bill was read for the first time and referred to the Committee on Ways and Means.

Tunheim introduced:

H. F. No. 1988, A bill for an act relating to intoxicating liquor; authorizing Lake township in Roseau county to establish, own, and operate an exclusive liquor store.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Brown introduced:

H. F. No. 1989, A bill for an act relating to Traverse county; excusing the county from the obligation to pay certain fees to the attorney general.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Vanasek, Ostrom and Lasley introduced:

H. F. No. 1990, A bill for an act relating to elections; changing computation of the political contribution refund; amending Minnesota Statutes 1991 Supplement, section 290.06, subdivision 23.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Begich and Rukavina introduced:

H. F. No. 1991, A bill for an act relating to the environment; changing provisions relating to waste tires; appropriating money; amending Minnesota Statutes 1990, sections 115A.90, by adding a subdivision; 115A.908, subdivision 3; 115A.912; 115A.913; and 115A.914.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Tompkins, Garcia, Ozment, Munger and Pauly introduced:

H. F. No. 1992, A bill for an act relating to human services; requiring child care centers to offer a choice of cloth or disposable diapers; amending Minnesota Statutes 1990, section 245A.14, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Tompkins, Stanius, Orenstein and Garcia introduced:

H. F. No. 1993, A bill for an act relating to health care; allowing all providers to participate in health policies, plans, and contracts under certain conditions; requiring the commissioner of health to establish uniform claims forms and uniform billing and record keeping practices; amending Minnesota Statutes 1990, sections 43A.23, subdivision 1; 62C.02, subdivision 10; 62D.02, subdivision 12; and 72A.20, subdivision 15; proposing coding for new law in Minnesota Statutes, chapter 144.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Cooper, Peterson, Brown, Kalis and Dille introduced:

H. F. No. 1994, A bill for an act relating to agriculture; changing maximum annual ethanol producer payments in certain years; transferring certain money for an ethanol producers handbook; amending Minnesota Statutes 1991 Supplement, section 41A.09, subdivision 3.

The bill was read for the first time and referred to the Committee on Agriculture.

Solberg introduced:

H. F. No. 1995, A bill for an act relating to elections; changing the voter certification and balloting provisions for the presidential primary; amending Minnesota Statutes 1990, sections 207A.03, subdivision 2; and 207A.08.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Reding introduced:

H. F. No. 1996, A bill for an act relating to retirement; permitting certain persons to have employer contributions transferred from the teachers retirement association to the individual retirement account plan; amending Laws 1990, chapter 570, article 3, section 11.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Reding; Johnson, R.; Dorn; Pelowski and Gruenes introduced:

H. F. No. 1997, A bill for an act relating to retirement; higher education individual retirement account plan; amending Minnesota Statutes 1990, sections 354B.04, subdivision 1; and 354B.05, subdivision 1; Minnesota Statutes 1991 Supplement, section 354B.04, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 354B.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Reding introduced:

H. F. No. 1998, A bill for an act relating to retirement; requiring

certain transfers of employer contributions from the teachers retirement association to the individual retirement account plan.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Greenfield introduced:

H. F. No. 1999, A bill for an act relating to human services; authorizing the Minnesota housing finance agency to finance nursing home projects; appropriating money; amending Minnesota Statutes 1990, sections 462A.02, by adding a subdivision; 462A.03, subdivisions 7 and 19; 462A.05, by adding a subdivision; and 462A.22, subdivision 1.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Macklin, Swenson, Vellenga, Pugh and Skoglund introduced:

H. F. No. 2000, A bill for an act relating to probate; changing provisions relating to merger of trusts, certificates of trust, affidavits of trustees, and powers of attorney; amending Minnesota Statutes 1990, sections 508.62; 508A.62; 523.02; 523.03; 523.07; 523.08; 523.09; 523.11, subdivisions 1 and 2; 523.17; 523.18; 523.19; 523.21; 523.22; 523.23, subdivisions 1, 2, 3, and by adding subdivisions; 523.24, subdivisions 1, 7, 8, and 9; Minnesota Statutes 1991 Supplement, section 518.58, subdivision 1a; proposing coding for new law in Minnesota Statutes, chapters 501B; and 523; repealing Minnesota Statutes 1990, section 523.25.

The bill was read for the first time and referred to the Committee on Judiciary.

Jefferson; Knickerbocker; Johnson, R.; O'Connor and Reding introduced:

H. F. No. 2001, A bill for an act relating to retirement; requiring the metropolitan airports commission to apply for certain state aid; providing an optional method for calculating annuities of certain members of the Minneapolis employees retirement fund; amending Minnesota Statutes 1990, section 69.011, by adding a subdivision; Minnesota Statutes 1991 Supplement, section 69.011, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 422A.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Orenstein; Dawkins; Blatz; Nelson, K., and Cooper introduced:

H. F. No. 2002, A bill for an act relating to community service; directing the Minnesota office on volunteer services to prepare a federal grant proposal.

The bill was read for the first time and referred to the Committee on Education.

Dawkins, Clark and Anderson, I., introduced:

H. F. No. 2003, A bill for an act relating to taxation; limiting the income tax deduction for qualified residence interest; amending Minnesota Statutes 1990, section 290.62; Minnesota Statutes 1991 Supplement, section 290.01, subdivision 19a.

The bill was read for the first time and referred to the Committee on Taxes.

Dawkins, Clark, Simoneau, Rest and Runbeck introduced:

H. F. No. 2004, A bill for an act relating to housing; authorizing the issuance and sale of state bonds for the neighborhood land trust program; appropriating money.

The bill was read for the first time and referred to the Committee on Housing.

Dawkins, Clark, Greenfield, Dauner and Runbeck introduced:

H. F. No. 2005, A bill for an act relating to appropriations; appropriating money to the housing development as state match for the federal HOME program; proposing coding for new law in Minnesota Statutes, chapter 462A.

The bill was read for the first time and referred to the Committee on Housing.

Swenson, Kelso, Simoneau, Krinkie and Johnson, A., introduced:

H. F. No. 2006, A bill for an act relating to human services; exempting from licensure accredited Montessori prekindergarten programs; amending Minnesota Statutes 1991 Supplement, section 245A.03, subdivision 2.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Rest, Jaros and Hausman introduced:

H. F. No. 2007, A bill for an act relating to freedom of expression; providing for free press rights of students in public schools; proposing coding for new law in Minnesota Statutes, chapter 126.

The bill was read for the first time and referred to the Committee on Education.

Cooper, Ostrom, Hasskamp and McEachern introduced:

H. F. No. 2008, A bill for an act relating to education; modifying the summer health care intern program; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 124C; repealing Laws 1990, chapter 562, article 12.

The bill was read for the first time and referred to the Committee on Education.

Ostrom, Greenfield, Blatz, Vellenga and Dorn introduced:

H. F. No. 2009, A bill for an act relating to capital improvements; authorizing the issuance of state bonds for construction of an educational facility at Hoffman Center in St. Peter; appropriating money.

The bill was read for the first time and referred to the Committee on Appropriations.

Winter; Carlson; Simoneau; Olson, K., and Steensma introduced:

H. F. No. 2010, A bill for an act relating to appropriations; clarifying the purposes for which a certain appropriation may be spent at Worthington community college.

The bill was read for the first time and referred to the Committee on Appropriations.

Runbeck, Jacobs, Dawkins, Sviggum and Pauly introduced:

H. F. No. 2011, A bill for an act relating to taxation; property; reducing the penalties for taxes paid within 15 days of the date due on nonhomestead property; amending Minnesota Statutes 1991 Supplement, section 279.01, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

Weaver, Bettermann, Farrell, Carruthers and Koppendraye introduced:

H. F. No. 2012, A bill for an act proposing an amendment to the Minnesota Constitution, article IV, section 12; providing that the legislature meet in regular session in odd-numbered years.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Sparby, Carlson, Tunheim, Bishop and Johnson, R., introduced:

H. F. No. 2013, A bill for an act relating to education; authorizing the state board of technical colleges to contract to provide services; proposing coding for new law in Minnesota Statutes, chapter 136C.

The bill was read for the first time and referred to the Committee on Education.

Reding introduced:

H. F. No. 2014, A bill for an act relating to retirement; local police and salaried firefighter relief associations; authorizing a local option in interest and salary increase actuarial assumptions; amending Minnesota Statutes 1991 Supplement, section 356.215, subdivisions 4d and 7.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Jaros; Johnson, A.; Bettermann; Weaver and Kinkel introduced:

H. F. No. 2015, A bill for an act relating to education; permitting named entities and others to donate to the office on volunteer services; amending Minnesota Statutes 1991 Supplement, section 16B.88, subdivision 6.

The bill was read for the first time and referred to the Committee on Education.

Olsen, S.; Macklin; Bettermann and Seaberg introduced:

H. F. No. 2016, A bill for an act relating to public safety; expanding the sex offender registration law to include certain adult victims and to require registration by certain out-of-state offenders who reside in Minnesota; amending Minnesota Statutes 1991 Supplement, section 243.166, subdivisions 1, 2, 3, and 4.

The bill was read for the first time and referred to the Committee on Judiciary.

Brown, Carlson, McEachern, Haukoos and Nelson, K., introduced:

H. F. No. 2017, A bill for an act relating to education; transferring powers and responsibilities for licensing private business, trade, and correspondence schools to the higher education coordinating board; appropriating money; amending Minnesota Statutes 1990, section 141.21, by adding a subdivision; repealing Minnesota Statutes 1990, section 141.21, subdivision 2.

The bill was read for the first time and referred to the Committee on Education.

Farrell and O'Connor introduced:

H. F. No. 2018, A bill for an act relating to retirement; St. Paul fire department relief association; increasing service pension amounts; substituting a revised longevity benefit; limiting future benefit reductions; amending Laws 1955, chapter 375, sections 21 and 22, as amended.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Reding; Johnson, R.; Jefferson; Knickerbocker and O'Connor introduced:

H. F. No. 2019, A bill for an act relating to retirement; local police and salaried firefighters' relief associations; authorizing hospital and medical insurance units to pensioners, surviving spouses and dependents; adjusting certain requirements governing the preparation of actuarial valuations and the calculation of municipal funding requirements; amending Minnesota Statutes 1990, sections 69.031, subdivision 5; 69.77, subdivision 2b; and 423A.01, subdivision 2; Minnesota Statutes 1991 Supplement, section 356.216; proposing coding for new law in Minnesota Statutes, chapter 423A.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Johnson, R.; Ostrom; Tunheim; Johnson, A., and Olsen, S., introduced:

H. F. No. 2020, A bill for an act relating to education; reauthorizing state transportation aid for late transportation home from school



for pupils involved in after school activities and for summer program transportation; appropriating money; amending Minnesota Statutes 1991 Supplement, sections 124.223, subdivisions 1 and 8; and 124.225, subdivision 1.

The bill was read for the first time and referred to the Committee on Education.

McEachern; Johnson, A.; Kelso; Weaver and Pelowski introduced:

H. F. No. 2021, A bill for an act relating to education; deleting the provision denying section 125.12 protection to licensed community education instructors; amending Minnesota Statutes 1991 Supplement, section 125.032, subdivision 2.

The bill was read for the first time and referred to the Committee on Education.

Jaros; Johnson, A.; Rukavina and Dille introduced:

H. F. No. 2022, A bill for an act relating to education; establishing the technical and occupational education foundation; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 136C.

The bill was read for the first time and referred to the Committee on Education.

Lasley and Kalis introduced:

H. F. No. 2023, A bill for an act relating to motor vehicles; providing standards for inspections of building mover vehicles; amending Minnesota Statutes 1991 Supplement, section 169.781, subdivisions 1 and 5.

The bill was read for the first time and referred to the Committee on Transportation.

Cooper, Solberg, Beard, Welle and Boo introduced:

H. F. No. 2024, A bill for an act relating to workers' compensation; regulating insurance rates of certain health personnel; amending Minnesota Statutes 1990, section 79.211, subdivision 2.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Reding; O'Connor; Johnson, R., and Jefferson introduced:

H. F. No. 2025, A bill for an act relating to retirement; the Minnesota state retirement system; public employees retirement association; and teachers retirement association; increasing the interest rate on the repayment of refunds and similar transactions; amending Minnesota Statutes 1990, sections 3A.03, subdivision 2; 352.01, subdivision 11; 352.04, subdivision 8; 352.23; 352.27; 352.271; 352B.11, subdivision 4; 352C.051, subdivision 3; 352C.09, subdivision 2; 352D.05, subdivision 4; 352D.11, subdivision 2; 352D.12; 353.28, subdivision 5; 353.35; 353.36, subdivision 2; 354.41, subdivision 9; 354.50, subdivision 2; 354.51, subdivisions 4 and 5; 354.52, subdivision 4; 354.53, subdivision 1; and 490.124, subdivision 12; Minnesota Statutes 1991 Supplement, sections 353.01, subdivision 16; 353.27, subdivisions 12, 12a, and 12b; and 354.094, subdivision 1.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Reding; Johnson, R.; O'Connor; Knickerbocker and Jefferson introduced:

H. F. No. 2026, A bill for an act relating to the state board of investment; management of funds under board control; authorizing certain investments by the board; amending Minnesota Statutes 1990, sections 11A.04; 11A.14, subdivision 2; 11A.16, subdivision 5; 11A.17, subdivisions 1, 4, 9, 14, and by adding a subdivision; 11A.18, subdivision 11; 116P.11; 352D.04, subdivision 1; 352D.09, subdivision 7; 354B.04, by adding a subdivision; and 354B.05, subdivision 3; Minnesota Statutes 1991 Supplement, sections 11A.24, subdivision 4; 353D.05, subdivisions 2 and 3; and 354B.07, subdivision 2.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Bishop; Kahn; Olson, K.; Orenstein and Skoglund introduced:

H. F. No. 2027, A bill for an act relating to traffic regulations; requiring all motorcycle operators and passengers under the age of 21 to wear protective helmets; amending Minnesota Statutes 1990, section 169.974, subdivision 4.

The bill was read for the first time and referred to the Committee on Transportation.

Jefferson; Knickerbocker; Johnson, R.; O'Connor and Reding introduced:

H. F. No. 2028, A bill for an act relating to retirement; making changes in laws governing the Minneapolis employees retirement fund; amending Minnesota Statutes 1990, sections 422A.14, subdivision 1; and 422A.23, by adding a subdivision; Minnesota Statutes 1991 Supplement, section 422A.17; repealing Minnesota Statutes 1990, section 422A.14, subdivision 2.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Dempsey; Johnson, A.; Kelso; Hasskamp and Beard introduced:

H. F. No. 2029, A resolution memorializing Congress to refrain from imposing upon the states' constitutional authority to regulate traffic and motor vehicle safety within their respective boundaries, and specifically, to refrain from mandating the passage of state laws requiring the use of motorcycle helmets, safety belts, and child restraint systems.

The bill was read for the first time and referred to the Committee on Transportation.

Rice, Welle, Begich and Johnson, R., introduced:

H. F. No. 2030, A bill for an act relating to motor carriers; making all persons who transport passengers for hire in intrastate commerce subject to rules of the commissioner of transportation on insurance and driver hours of service; amending Minnesota Statutes 1990, sections 221.031, by adding a subdivision; and 221.141, by adding a subdivision; Minnesota Statutes 1991 Supplement, section 221.025.

The bill was read for the first time and referred to the Committee on Transportation.

Olson, E.; Hanson; Bodahl and Kelso introduced:

H. F. No. 2031, A bill for an act relating to taxation; property; providing for the valuation and assessment of vacant platted property; amending Minnesota Statutes 1991 Supplement, section 273.11, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

**MESSAGES FROM THE SENATE**

The following messages were received from the Senate:

Madam Speaker:

I hereby announce the repassage by the Senate of the following Senate File, notwithstanding the veto by the Governor:

S. F. No. 1598, A bill for an act relating to elections; changing the year for implementing the presidential primary; amending Minnesota Statutes 1990, section 207A.01.

The enrolled copy of S. F. No. 1598, with all of the signatures of the officers of the Senate and the House together with the Governor's objections, is herewith transmitted to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

**MOTION TO OVERRIDE VETO**

Lasley moved that S. F. No. 1598, Chapter 364, be now reconsidered and repassed, the objections of the Governor notwithstanding, pursuant to Article IV, Section 23, of the Constitution of the State of Minnesota.

The question was taken on the motion to reconsider and repass S. F. No. 1598, Chapter 364, the objections of the Governor notwithstanding, pursuant to Article IV, Section 23, of the Constitution of the State of Minnesota and the roll was called. There were 77 yeas and 49 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Dorn	Johnson, V.	Nelson, S.	Sparby
Anderson, R.	Frederick	Kalis	Newinski	Steensma
Battaglia	Garcia	Kinkel	O'Connor	Sviggum
Bauerly	Girard	Koppendrayner	Olson, E.	Swenson
Beard	Goodno	Krambeer	Olson, K.	Thompson
Begich	Greenfield	Krueger	Omman	Tompkins
Bertram	Gruenes	Lasley	Onnen	Tunheim
Bettermann	Hanson	Lieder	Orfield	Waltman
Bodahl	Haskamp	Limmer	Ostrom	Wejzman
Brown	Haukoos	Lourey	Ozment	Welker
Carruthers	Heir	Lynch	Pelowski	Welle
Cooper	Hugoson	Mariani	Peterson	Wenzel
Dauner	Jaros	Marsh	Reding	Winter
Dauids	Jefferson	McEachern	Rodosovich	
Dawkins	Jennings	McPherson	Sarna	
Dille	Johnson, R.	Murphy	Segal	

Those who voted in the negative were:

Abrams	Hausman	Macklin	Pauly	Smith
Anderson, R. H.	Henry	McGuire	Pellow	Solberg
Bishop	Hufnagle	Milbert	Pugh	Stanius
Blatz	Jacobs	Morrison	Rest	Trimble
Boo	Janezich	Munger	Rice	Valento
Carlson	Johnson, A.	Nelson, K.	Rukavina	Vanasek
Dempsey	Kahn	Ogren	Runbeck	Vellenga
Frerichs	Kelso	Olsen, S.	Seaberg	Wagenius
Gutknecht	Knickerbocker	Orenstein	Simoneau	Spk. Long
Hartle	Leppik	Osthoff	Skoglund	

Not having received the constitutionally required two-thirds vote, the vetoed bill was not reconsidered and not repassed.

Madam Speaker:

I hereby announce the passage by the Senate of the following Senate File, herewith transmitted:

S. F. No. 1619.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 1619, A bill for an act relating to crimes; expanding list of offenses that result in ineligibility for a pistol permit to include all felonies, domestic abuse, and malicious punishment of a child; amending Minnesota Statutes 1990, section 624.713, subdivision 1; and Minnesota Statutes 1991 Supplement, section 624.712, subdivision 5.

The bill was read for the first time and referred to the Committee on Judiciary.

### MOTIONS AND RESOLUTIONS

Krueger moved that his name be stricken as an author on H. F. No. 464. The motion prevailed.

Wejcman moved that the name of O'Connor be added as an author on H. F. No. 987. The motion prevailed.

Rest moved that the name of Erhardt be added as an author on H. F. No. 1573. The motion prevailed.

Jaros moved that the names of Vanasek and Dempsey be added as authors on H. F. No. 1597. The motion prevailed.

Lieder moved that the names of Simoneau and Steensma be added as authors on H. F. No. 1736. The motion prevailed.

Schreiber moved that the name of Carruthers be added as an author on H. F. No. 1777. The motion prevailed.

Bauerly moved that the name of Jennings be added as an author on H. F. No. 1924. The motion prevailed.

Rest moved that the names of Olsen, S., and Bettermann be added as authors on H. F. No. 1959. The motion prevailed.

Vellenga moved that H. F. No. 1958 be recalled from the Committee on Education and be re-referred to the Committee on Health and Human Services. The motion prevailed.

Macklin moved that H. F. No. 1010 be recalled from the Committee on Appropriations and be re-referred to the Committee on Judiciary. The motion prevailed.

Kinkel moved that H. F. No. 1947 be returned to its author. The motion prevailed.

#### ADJOURNMENT

Welle moved that when the House adjourns today it adjourn until 10:00 a.m., Monday, February 24, 1992. The motion prevailed.

Welle moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 10:00 a.m., Monday, February 24, 1992.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-SEVENTH SESSION — 1992

## SIXTY-NINTH DAY

SAINT PAUL, MINNESOTA, MONDAY, FEBRUARY 24, 1992

The House of Representatives convened at 10:00 a.m. and was called to order by Dee Long, Speaker of the House.

Prayer was offered by Pastor Pat Ondarko, Oak Lake Lutheran Church, Kerrick, Minnesota.

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

The roll was called and the following members were present:

Abrams	Farrell	Kelso	O'Connor	Segal
Anderson, I.	Frederick	Kinkel	Ogren	Simoneau
Anderson, R.	Frerichs	Knickerbocker	Olsen, S.	Skoglund
Anderson, R. H.	Garcia	Koppendrayer	Olson, K.	Smith
Battaglia	Girard	Krambeer	Omann	Solberg
Bauerly	Goodno	Krinkie	Onnen	Sparby
Beard	Greenfield	Krueger	Orenstein	Stanius
Begich	Gruenes	Lasley	Orfield	Steensma
Bertram	Gutknecht	Leppik	Osthoff	Sviggum
Bettermann	Hanson	Lieder	Ostrom	Swenson
Bishop	Hartle	Limmer	Ozment	Thompson
Blatz	Hasskamp	Lourey	Pauly	Tompkins
Bodahl	Haukoos	Lynch	Pellow	Trimble
Boo	Hausman	Macklin	Pelowski	Tunheim
Brown	Heir	Mariani	Peterson	Valento
Carlson	Henry	Marsh	Pugh	Vellenga
Carruthers	Hufnagle	McEachern	Reding	Wagenius
Clark	Jacobs	McGuire	Rest	Waltman
Cooper	Janezich	McPherson	Rice	Wejeman
Dauner	Jefferson	Milbert	Rodosovich	Welker
Davids	Jennings	Morrison	Rukavina	Welle
Dawkins	Johnson, A.	Munger	Runbeck	Wenzel
Dempsey	Johnson, R.	Murphy	Sarna	Winter
Dille	Johnson, V.	Nelson, K.	Schafer	Spk. Long
Dorn	Kahn	Nelson, S.	Schreiber	
Erhardt	Kalis	Newinski	Seaberg	

A quorum was present.

Hugoson; Jaros; Olson, E.; Uphus; Vanasek and Weaver were excused.

The Chief Clerk proceeded to read the Journal of the preceding

day. Koppendraye moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

## PETITIONS AND COMMUNICATIONS

The following communication was received:

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

February 24, 1992

The Honorable Dee Long  
Speaker of the House of Representatives  
The State of Minnesota

Dear Madam Speaker:

I respectfully request the opportunity to address a Joint Session of the 77th Session of the Minnesota Legislature on Thursday, March 5, 1992, at 7:00 p.m., for the purpose of presenting my supplemental budget message to the legislature.

Warmest regards,

ARNE H. CARLSON  
Governor

Welle moved that the House accede to the request of the Governor for a Joint Convention to hear the supplemental budget message of the Governor at 7:00 p.m., Thursday, March 5, 1992; that the Chief Clerk be instructed to invite the Senate to meet in Joint Convention at 6:45 p.m. and advise the Governor regarding the Joint Convention; and that the Speaker appoint a committee of five members to act with a similar committee to be appointed by the Senate to escort the Governor to the Joint Convention. The motion prevailed.

## REPORTS OF STANDING COMMITTEES

Clark from the Committee on Housing to which was referred:

H. F. No. 1934, A bill for an act relating to housing; modifying requirements for lead education, assessment, screening, and abatement; transferring rule authority from the commissioner of the



pollution control agency to the commissioner of health; establishing a lead abatement account in the housing development fund; creating a lead abatement and training program; establishing a lead abatement program; creating a lead fund; establishing a lead abatement fee on petroleum storage tanks; establishing a paint tax; providing penalties; amending Minnesota Statutes 1990, sections 144.871, subdivisions 6, 8, and by adding subdivisions; 144.872, subdivisions 1, 2, 4, and by adding a subdivision; 144.873, subdivisions 2 and 3; 144.876; and 144.878, subdivision 2, and by adding a subdivision; Minnesota Statutes 1991 Supplement, sections 144.871, subdivision 2; 144.873, subdivision 1; 144.874, subdivisions 1 and 12; and 462A.05, subdivision 15c; proposing coding for new law in Minnesota Statutes, chapters 115C; and 268; proposing coding for new law as Minnesota Statutes, chapter 297E; repealing Minnesota Statutes 1990, sections 116.51; 116.52; 116.53, subdivision 1; and 144.878, subdivision 4.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

## “ARTICLE 1

### LEAD ABATEMENT STANDARDS

Section 1. Minnesota Statutes 1991 Supplement, section 144.871, subdivision 2, is amended to read:

Subd. 2. [ABATEMENT.] “Abatement” means removal of, replacement of, or encapsulation of deteriorated paint, bare soil, dust, drinking water, or other materials that are or may become readily accessible during the abatement process and pose an immediate threat of actual lead exposure to people. ~~The abatement rules to be adopted under section 144.878, subdivision 2, shall apply as described in section 144.874.~~

Sec. 2. Minnesota Statutes 1990, section 144.871, subdivision 3, is amended to read:

Subd. 3. [ABATEMENT CONTRACTOR.] “Abatement contractor” means any person hired by a property owner or resident to perform abatement of a lead source in violation of standards under section 144.878.

Sec. 3. Minnesota Statutes 1990, section 144.871, subdivision 6, is amended to read:

Subd. 6. [ELEVATED BLOOD LEAD LEVEL.] “Elevated blood lead level” in a child no more than six years old or in a pregnant

woman means at least 25 ten micrograms of lead per deciliter of venous whole blood unless the commissioner finds that a lower concentration is necessary to protect public health.

Sec. 4. Minnesota Statutes 1990, section 144.871, is amended by adding a subdivision to read:

Subd. 7a. [HIGH RISK FOR TOXIC LEAD EXPOSURE.] “High risk for toxic lead exposure” means either:

(1) that elevated blood lead levels have been diagnosed in a population of children or pregnant women; or

(2) without blood lead data, that a population of children or pregnant women resides in:

(i) a census tract with many residential structures known to have or suspected of having deteriorated paint; or

(ii) a census tract with a median soil lead concentration greater than 100 parts per million for any sample collected according to Minnesota Rules, part 4761.0400, subpart 8, and rules adopted under section 144.878.

Sec. 5. Minnesota Statutes 1990, section 144.871, is amended by adding a subdivision to read:

Subd. 7b. [PRIMARY PREVENTION.] “Primary prevention” means performance of swab team services, encapsulation, and removal and replacement abatement, including lead cleanup and health education, before children develop elevated blood lead levels.

Sec. 6. Minnesota Statutes 1990, section 144.871, subdivision 8, is amended to read:

Subd. 8. [SAFE HOUSING.] “Safe housing” means a residence that does not violate have deteriorating paint, bare soil, lead dust, or which violates any of the standards adopted according to section 144.878, subdivision 2.

Sec. 7. Minnesota Statutes 1990, section 144.871, is amended by adding a subdivision to read:

Subd. 9. [SWAB TEAM.] “Swab team” means a person or persons who implement in-place management of lead exposure sources, which includes:

(1) covering or replacing bare soil and establishing safe exterior play and garden areas;

(2) removing loose paint and paint chips and installing guards to protect intact paint;

(3) removing lead dust by washing, vacuuming, and cleaning the interior of residential property including carpets; and

(4) other means, including cleanup and health education, that immediately protect children who engage in mouthing or pica behavior from lead sources.

Sec. 8. Minnesota Statutes 1990, section 144.872, subdivision 1, is amended to read:

Subdivision 1. [PROACTIVE LEAD EDUCATION STRATEGY.] For fiscal years 1990 and 1991, The commissioner shall conduct or contract for a proactive lead education program, which includes proper maintenance and cleaning of lead sources, and swab team services, with boards of health in communities at high risk for toxic lead exposure to children, lead advocacy organizations, and businesses to design and implement a uniform, proactive educational program to introduce inform them of the requirements of sections 144.871 to 144.878 and to promote the prevention of exposure to all sources of lead to target populations. Priority shall be given to providing The commissioner must provide lead cleanup and health education to the legal guardian of a child with a blood lead level of at least ten micrograms per deciliter. The commissioner must provide lead-related health education to the residents of neighborhoods where a significant number, as defined by the commissioner, are found to be at high risk for toxic lead exposure. Ongoing lead cleanup and health education including the lead laws and rules shall be provided to health care and social service providers, registered licensed abatement contractors, other contractors, building trades professionals and nonprofessionals, property owners, and parents. Educational materials shall be multilingual and multicultural to meet the needs of diverse populations. The commissioner shall create and administer a program to fund locally based community-based advocates specifically trained in lead cleanup and health-related aspects of lead exposure who, following the issuance of an abatement order, shall visit the family in their residence periodically throughout the abatement process, as needed to instruct them about health effects, safety measures, community resources, legal rights under the abatement process, housing rights, nutrition, health follow-up, materials, and methods to be followed before, during, and after the abatement process. The commissioner shall give priority to neighborhood residents when hiring community-based advocates.

Sec. 9. Minnesota Statutes 1990, section 144.872, subdivision 2, is amended to read:

Subd. 2. [HOME ASSESSMENTS.] The commissioner shall con-

tract with boards of health to conduct assessments and provide swab team services to determine sources of lead contamination in the residences of children and pregnant women whose blood lead levels exceed 25 are at least ten micrograms per deciliter and of children whose blood lead levels are at least 20 micrograms per deciliter or whose blood lead levels persist in the range of 15 to 19 micrograms per deciliter for 90 days after initial identification to the board of health or the commissioner. Assessments must be conducted within five working days of the board of health receiving notice that the criteria in this subdivision have been met. Within the limits of appropriations, a board of health shall conduct home assessments for children and pregnant women whose confirmed blood lead levels are in the range of ten to 19 micrograms per deciliter. The commissioner shall also provide educational materials on all sources of lead to boards of health to provide education on ways of reducing the danger of lead contamination. The commissioner may provide laboratory or field lead testing equipment to a board of health or may reimburse a board of health for direct costs associated with assessments.

Sec. 10. Minnesota Statutes 1990, section 144.872, subdivision 4, is amended to read:

Subd. 4. [PAINT REMOVAL LEAD CLEANUP EQUIPMENT AND MATERIAL GRANTS.] State matching funds shall be made available for under a grant program to community-based organizations, licensed lead abatement contractors, and certified trainers in areas at high risk for toxic lead exposure. Grantees shall use the money to purchase and provide paint removal lead cleanup equipment and educational materials, and to pay for training for staff and volunteers for lead abatement certification. Equipment shall include: high efficiency particle accumulator and wet vacuum cleaners, drop cloths, secure containers, respirators, scrapers, and dust and particle containment material, and other cleanup and containment materials to patch loose paint and plaster, control household dust, wax floors, clean carpets and sidewalks, and cover bare soil. Upon certification, the grantees may make equipment and educational materials available to residents and property owners and instruct them on the proper use. Equipment shall be made available to low-income households on a priority basis. The commissioner shall conduct or contract for training of a swab team whose first priority must be service to those areas of Minnesota that are not cities of the first class. This team may secondarily serve cities of the first class as time and resources permit.

Sec. 11. Minnesota Statutes 1990, section 144.872, is amended by adding a subdivision to read:

Subd. 5. [SWAB TEAMS.] The commissioner shall conduct or contract to conduct reduction of lead exposure through swab teams hired and trained to clean up at the residences of children and

pregnant women who are newly identified as having elevated blood lead levels.

Sec. 12. Minnesota Statutes 1991 Supplement, section 144.873, subdivision 1, is amended to read:

Subdivision 1. [REPORT REQUIRED.] Medical laboratories performing blood lead analyses must report to the commissioner confirmed finger stick and venipuncture blood lead results of at least five micrograms per deciliter and the method used to obtain these results. Boards of health must report to the commissioner the results of analyses from residential samples of paint, bare soil, dust, and drinking water that show lead in concentrations greater than or equal to the lead standards adopted by permanent rule under section 144.878. The commissioner shall require other related information from medical laboratories and boards of health as may be needed to monitor and evaluate blood lead levels in the public, including. Mandatory information includes the date of the test and the address age of the patient and the current and previous addresses of the patient for the last 12 months. For any test that identifies a patient with an elevated blood lead level, the commissioner must notify property owners at the patient's current address and all known previous addresses. Optional information includes race, sex, and income of the patient.

Sec. 13. Minnesota Statutes 1990, section 144.873, subdivision 2, is amended to read:

Subd. 2. [TEST OF CHILDREN IN HIGH RISK AREAS.] Within limits of available appropriations, the commissioner shall promote and subsidize a blood lead test of all children under six years of age who live in the all areas of high risk areas of Minneapolis, St. Paul, and Duluth for toxic lead exposure that are currently known or subsequently identified. Within the limits of available appropriations, the commissioner shall conduct surveys, especially soil assessments larger than a residence, in greater Minnesota communities where a case of elevated blood lead levels has been reported.

Sec. 14. Minnesota Statutes 1990, section 144.873, subdivision 3, is amended to read:

Subd. 3. [STATEWIDE LEAD SCREENING.] Statewide lead screening by erythrocyte protoporphyrin test blood lead assays in conjunction with routine blood tests analyzed by atomic absorption equipment or other equipment with equivalent or better accuracy shall be advocated by boards of health.

Sec. 15. Minnesota Statutes 1991 Supplement, section 144.874, subdivision 1, is amended to read:

Subdivision 1. [RESIDENCE ASSESSMENT.] (a) A board of health must conduct a timely assessment of a residence, within five working days of receiving notification that the criteria in this subdivision have been met, to determine sources of lead exposure if:

(1) a pregnant woman in the residence is identified as having a blood lead level of at least ten micrograms of lead per deciliter of whole blood; ~~or~~

(2) a child in the residence is identified as having an elevated a blood lead level at or above 20 micrograms per deciliter; or

(3) a blood lead level that persists in the range of 15 to 19 micrograms per deciliter for 90 days after initial identification.

Within the limits of appropriations, a board of health shall also conduct home assessments for children whose confirmed blood lead levels are in the range of ten to 19 micrograms per deciliter. If a child regularly spends several hours per day at another residence, such as a residential child care facility, the board of health must also assess the other residence.

(b) The board of health must conduct the residential assessment according to rules adopted by the commissioner according to section 144.878.

Sec. 16. Minnesota Statutes 1991 Supplement, section 144.874, subdivision 2, is amended to read:

Subd. 2. [RESIDENTIAL LEAD ASSESSMENT GUIDE.] (a) The commissioner of health shall ~~develop or purchase~~ a residential lead assessment guide that enables parents to assess the possible lead sources present and that suggests actions. The guide must provide information on safe abatement and disposal methods, sources of equipment, and telephone numbers for additional information to enable the persons to either perform the abatement or to intelligently select an abatement contractor. In addition, the guide must:

(1) meet the requirements of Minnesota laws and rules;

(2) be understandable at an eighth grade reading level;

(3) include information on all necessary safety precautions for all lead source cleanup; and

(4) be the best available educational material.

(b) A board of health must provide the residential lead assessment guide to:

(1) parents of children who are identified as having blood lead levels of at least ten micrograms per deciliter; and

(2) property owners and occupants who are issued housing code orders requiring disruption of lead sources.

(c) A board of health must provide the residential lead assessment guide on request to owners or tenants of residential property within the jurisdiction of the board of health.

Sec. 17. Minnesota Statutes 1991 Supplement, section 144.874, subdivision 3, is amended to read:

Subd. 3. [ABATEMENT ORDERS.] A board of health must order a property owner to perform abatement on a lead source that exceeds a standard adopted according to section 144.878 at the residence of a child with an elevated blood lead level or a pregnant woman with a blood lead level of at least ten micrograms per deciliter. Abatement orders must require that any source of damage, such as leaking roofs, plumbing, and windows, must be repaired or replaced, as needed, to prevent damage to lead-containing interior surfaces. With each abatement order, the board of health must provide a residential lead abatement guide. ~~The guide must be developed or purchased by the commissioner and must provide information on safe abatement and disposal methods, sources of equipment, and telephone numbers for additional information to enable the property owner to either perform the abatement or to intelligently select an abatement contractor.~~

Sec. 18. Minnesota Statutes 1991 Supplement, section 144.874, subdivision 12, is amended to read:

Subd. 12. [ENFORCEMENT AND STATUS REPORT.] The commissioner shall examine compliance with Minnesota's existing lead standards and rules and report to the legislature by January 15, 1992, or biennially, beginning February 15, 1993, including an evaluation of current levels of compliance lead program activities by the state and boards of health, the need for any additional enforcement procedures, recommendations on developing a method to enforce compliance with lead standards and cost estimates for any proposed enforcement procedure. The report must also include a geographic analysis of all blood lead assays showing incidence data and environmental analyses reported or collected by the commissioner.

Sec. 19. Minnesota Statutes 1990, section 144.876, is amended to read:

144.876 [REGISTRATION AND LICENSING OF ABATEMENT CONTRACTORS AND CERTIFICATION OF EMPLOYEES.]

Subdivision 1. [LICENSING AND CERTIFICATION.] Abatement contractors must register with, within 180 days after rules are adopted under section 144.878, subdivision 5, obtain a license from the commissioner according to forms and procedures prescribed by the commissioner. Employees of abatement contractors must obtain certification from the commissioner. The commissioner shall specify training and testing requirements for licensure and certification and shall charge a fee for the cost of issuing a license or certificate and for training provided by the commissioner. The commissioner shall provide the contractor with a written violation notice, and may revoke the license of an abatement contractor, or the certificate of an employee, upon finding that the contractor or employee has violated the rules adopted under section 144.878 in a manner that poses unreasonable risk to public health.

Subd. 2. [CONTRACTOR REGISTRATION.] All building trade contractors, including but not limited to carpenters, painters, roofers, electricians, and plumbers, must register with the health department before proceeding with any residential renovation in a structure known to have or suspected of having toxic lead contamination. The commissioner must provide health and safety information on lead abatement to all contractors who register under this section. The information must include material on protecting the health of employees and residents. The commissioner shall identify and cooperate with appropriate trade and labor organizations to publicize the requirements of this section.

Subd. 3. [UNLICENSED ABATEMENT CONTRACTORS.] Contractors may not advertise or otherwise present themselves as abatement contractors unless they have abatement licenses issued by the department of health under rules adopted under section 144.878, subdivision 5.

Sec. 20. Minnesota Statutes 1990, section 144.878, subdivision 2, is amended to read:

Subd. 2. [LEAD STANDARDS AND ABATEMENT METHODS.] (a) By January 31, 1991, The commissioner shall adopt rules establishing standards and abatement methods for lead in paint, dust, and drinking water in a manner that protects public health and the environment for all residences, including residences also used for a commercial purpose. The commissioner shall define the specific meaning given to the criteria in the definition of high risk for toxic lead exposure. The commissioner shall differentiate between intact paint and deteriorating paint. The commissioner and political subdivisions shall require abatement of intact paint only if the commissioner or political subdivision finds that intact paint is accessible to children as a chewable or lead-dust producing surface and that is a known source of actual lead exposure to a specific person. In adopting rules under this subdivision, the commissioner



shall require the best available technology for abatement methods, paint stabilization, and repainting.

(b) ~~By January 31, 1991, The commissioner of the pollution control agency health shall adopt standards and abatement methods for lead in bare soil on playgrounds and residential property in a manner to protect public health and the environment.~~

(c) ~~By January 31, 1991, The commissioner of the pollution control agency shall adopt rules to ensure that removal of exterior lead-based coatings from residential property by abrasive blasting methods is and disposal of any hazardous waste are conducted in a manner that protects public health and the environment.~~

(d) All standards adopted under this subdivision must provide adequate margins of safety that are consistent with a detailed review of scientific evidence and an emphasis on overprotection rather than underprotection when the scientific evidence is ambiguous. The rules must apply to any individual performing or ordering the performance of lead abatement.

Sec. 21. Minnesota Statutes 1990, section 144.878, is amended by adding a subdivision to read:

Subd. 5. [LEAD ABATEMENT CONTRACTORS AND EMPLOYEES.] The commissioner shall adopt rules to license abatement contractors; to certify employees of lead abatement contractors who perform abatement; and to certify lead abatement trainers who provide lead abatement training for contractors, employees, or other lead abatement trainers. The rules must include standards and procedures for on-the-job training for swab teams. All lead abatement training must include a hands-on component and instruction on the health effects of lead exposure, the use of personal protective equipment, workplace hazards and safety problems, abatement methods and work practices, decontamination procedures, cleanup and waste disposal procedures, lead monitoring and testing methods, and legal rights and responsibilities. At least 30 days before publishing notice of rules under this subdivision on the licensing of lead abatement contractors, the commissioner shall submit the rules to the chairs of the health and human services committees in the house of representatives and the senate, and to any legislative committee on licensing created by the legislature.

Sec. 22. [REVISOR INSTRUCTION.]

In Minnesota Statutes and Minnesota Rules, the revisor shall recodify Minnesota Statutes, section 116.53, subdivision 2, as part of Minnesota Statutes, chapter 144, and shall change the terms "commissioner of the pollution control agency," "pollution control agency," and similar terms to "commissioner of health," "department of health," and similar terms.

## Sec. 23. [REPEALER.]

Minnesota Statutes 1990, sections 116.51; 116.52; 116.53, subdivision 1; and 144.878, subdivision 4, are repealed.

## ARTICLE 2

## ABATEMENT AND TRAINING

## Section 1. [268.92] [LEAD ABATEMENT PROGRAM.]

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

(a) "Advisory committee" means the committee established in subdivision 4.

(b) "Certified worker" means a lead abatement worker certified by the commissioner of health under section 144.878, subdivision 5.

(c) "Certified trainer" means a lead trainer certified by the commissioner of health under section 144.878, subdivision 5.

(d) "Certified worker" means a lead abatement worker certified by the commissioner of health under section 144.878, subdivision 5.

(e) "Commissioner" means the commissioner of jobs and training.

(f) "Eligible organization" means a licensed contractor, certified trainer, a statutory or home rule charter city, a community action agency as defined in section 268.52, or a community development corporation.

(g) "High risk for toxic lead exposure" has the meaning given in section 144.871.

(h) "Licensed contractor" means a contractor licensed by the department of health under section 144.876.

(i) "Removal and replacement abatement" means lead abatement on residential property that requires retrofitting and conforms to the rules established under section 144.878.

(j) "Swab team" has the meaning given in section 144.871.

Subd. 2. [ADMINISTRATION.] The commissioner may make demonstration and training grants to eligible organizations for programs to train workers for swab teams and removal and replacement abatement and to provide swab team services and removal and

replacement abatement for residential property. The advisory committee must review the applications and provide to the commissioner a list of recommended awards to eligible organizations that the advisory committee determines meet the requirements for receiving a grant under this section.

Subd. 3. [APPLICANTS.] (a) Interested eligible organizations must apply to the commissioner for grants under this section. Two or more eligible organizations may jointly apply for a grant. Applications must provide information requested by the commissioner, including at least the information required to assess the factors listed in paragraph (d). The commissioner shall award grants to organizations for swab team training and services and lead removal and replacement.

(b) Grants must be awarded to eligible organizations. Grant awards to organizations that provide swab teams administered by the commissioner of health must be made in coordination with the commissioner of health who must, in turn, contract, under section 144.872, with boards of health to provide one swab team in each city of the first class and two for the remainder of the state. Swab teams that are not engaged on a daily basis in fulfilling the requirements of section 144.872, subdivision 5, must deliver swab team services in census tracts known to be at high risk for toxic lead exposure.

(c) Any additional grants shall be made to establish swab teams for primary prevention, without environmental lead testing, in census tracts at high risk for toxic lead exposure.

(d) In evaluating grant applications, the commissioner shall consider the following criteria:

(1) the use of licensed contractors and certified lead abatement workers for residential lead abatement;

(2) the participation of neighborhood groups and individuals, as swab team members, in areas at high risk for toxic lead exposure;

(3) plans for the provision of primary prevention through swab team services in areas at high risk for toxic lead exposure on a census tract basis without environmental lead testing;

(4) plans for supervision, training, career development, and post-program placement of swab team members;

(5) plans for resident and property owner education on lead safety;

(6) plans for distributing cleaning supplies to area residents and educating residents and property owners on cleaning techniques;

(7) cost estimates for training, swab team services, equipment, monitoring, and administration;

(8) measures of program effectiveness; and

(9) coordination of program activities with other federal, state, and local public health, job training, apprenticeship, and housing renovation programs including the emergency jobs program under sections 268.672 to 268.881.

Subd. 4. [ADVISORY COMMITTEE.] The commissioner shall establish a 15-member advisory committee under section 15.059 to assist in selecting eligible organizations to receive grants, evaluating the final reports of each organization, and providing recommendations to the legislature. Members of the committee may be reimbursed for expenses but may not receive any other compensation for service on the committee. The advisory committee consists of representatives of the commissioners of health, housing finance, and jobs and training; a representative of the chancellor of vocational education; and 11 public members appointed by the commissioner. Four public members must represent neighborhood groups from areas at high risk for toxic lead exposure. Each of the following groups must be represented by one or more public member recommended to the commissioner by the organization: community action agencies, labor organizations, local housing authorities, Legal Aid Societies, and the Lead Coalition. The commissioner may provide staff to the advisory committee to assist in carrying out its purpose.

Subd. 5. [LEAD ABATEMENT CONTRACTORS.] (a) Organizations and licensed contractors may participate in the program. An organization receiving a grant under this section must assure that all participating contractors are licensed and that all swab team and removal and replacement employees are certified by the department of health under section 144.878, subdivision 5. Organizations and licensed contractors may distinguish between interior and exterior services in assigning duties and may participate in the program by:

(1) providing on-the-job training for swab teams;

(2) providing swab team services to the commissioner of health to meet the requirements of section 144.872;

(3) providing removal and replacement abatement using skilled craft workers;

(4) providing primary prevention, without environmental lead testing, in census tracts at high risk for toxic lead exposure;

(5) providing lead dust cleaning supplies, as described in section 144.872, subdivision 4, to residents; or

(6) instructing residents and property owners on appropriate lead control techniques.

(b) Participating licensed contractors must:

(1) demonstrate proof of workers' compensation and general liability insurance coverage;

(2) be knowledgeable about lead abatement requirements established by the department of housing and urban development and the occupational safety and health administration;

(3) demonstrate experience with on-the-job training programs;

(4) demonstrate an ability to recruit employees from areas at high risk for toxic lead exposure; and

(5) demonstrate experience in working with low-income clients.

Subd. 6. [LEAD ABATEMENT EMPLOYEES.] Each worker providing swab team services or removal and replacement abatement in programs established under this section must have blood lead concentrations below 15 micrograms per deciliter as determined by a baseline blood lead screening. Any organization receiving a grant under this section is responsible for lead screening and must assure that all workers in lead abatement programs receiving grant funds under this section meet the standards established in this subdivision. Grantees must use appropriate workplace procedures to reduce risk of elevated blood lead levels. Grantees and participating contractors must report all employee blood lead levels that exceed 15 micrograms per deciliter to the commissioner of health.

Subd. 7. [SWAB TEAM SERVICE STANDARDS.] Swab teams, when providing services, must comply with the standards and methods established under section 144.878 for all lead sources except the standard for lead in soil. The swab team service standard for lead in bare soil shall be a concentration of 100 parts per million.

Subd. 8. [ON-THE-JOB TRAINING COMPONENT.] (a) Programs established under this section must provide on-the-job training for swab teams. Training methods must follow procedures established under section 144.878, subdivision 5.

(b) Swab team members must receive monetary compensation equal to the prevailing wage as defined in section 177.42, subdivision 6, for comparable jobs in the licensed contractor's principal business.

Subd. 9. [REMOVAL AND REPLACEMENT COMPONENT.] Programs established under this section must identify if a need exists

for removal and replacement abatement in residential properties. All removal and replacement abatement must be done using least-cost methods that meet the standards of section 144.878, subdivision 2. Removal and replacement abatement must be done under the supervision of persons who have completed a state approved registered apprenticeship in the craft work being supervised. The program design must:

(1) identify the need for trained swab team workers and removal and replacement abatement workers;

(2) describe plans to involve appropriate groups in designing methods to meet the needs for trained workers; and

(3) include an examination of how program participants may achieve certification as a part of the work experience and training component by entering licensing, apprenticeship, or other education programs.

Subd. 10. [PROGRAM BENEFITS.] As a condition of providing lead abatement under this section, organizations may enter into agreements with a property owner requiring that, for a period of two years, the owner shall not increase rents on a property solely as a result of a substantial property improvement made with public funds provided by the programs in this section.

Subd. 11. [REQUIREMENTS OF ORGANIZATIONS RECEIVING GRANTS.] An eligible organization that is awarded a training and demonstration grant under this section shall prepare and submit a progress report to the commissioner by February 15, 1993.

Subd. 12. [REPORT.] The commissioner shall prepare and submit a report to the legislature and the governor by March 15, 1993, that describes the various programs that received grants under this section and makes recommendations for program changes.

Sec. 2. Minnesota Statutes 1991 Supplement, section 462A.05, subdivision 15c, is amended to read:

Subd. 15c. [RESIDENTIAL LEAD ABATEMENT.] It may make or purchase loans or grants for the removal and replacement abatement, as defined in section 1, of hazardous levels of lead paint in residential buildings and lead contaminated soil in violation of standards under section 144.878 on the property of residential buildings occupied primarily by persons or families of low- and moderate-income persons. Hazardous levels are as determined by the department of health or the pollution control agency. The agency must establish grant criteria for a residential lead paint and lead contaminated soil abatement program, including the terms of loans and grants under this section, a maximum amount for loans or

grants, eligible owners, eligible contractors, and eligible buildings. The agency may make grants to cities, local units of government, registered lead abatement contractors, and nonprofit organizations for the purpose of administering a residential lead paint and contaminated lead soil abatement program. No loan or grant may be made for lead paint abatement for a multifamily building which contains substantial housing maintenance code violations unless the violations are being corrected in conjunction with receipt of the loan or grant under this section. The agency must establish standards for the relocation of families where necessary and the payment of relocation expenses. To the extent possible, the agency must coordinate loans and grants under this section with existing housing programs. All benefits that result from lead abatement activities funded under this section must accrue to the residents of the abated property. Property owners must not increase rents on property solely as a result of property improvements made in conjunction with lead abatement activities funded under this section.

The agency, in consultation with the department of health, shall report to the legislature by January 1993 on the costs and benefits of subsidized lead abatement and the extent of the childhood lead exposure problem. The agency shall review the effectiveness of its existing loan and grant programs in providing funds for residential lead abatement and report to the legislature with examples, case studies and recommendations. The agency shall report biennially to the legislature on its activities concerning lead abatement.

Sec. 3. Minnesota Statutes 1990, section 462A.21, is amended by adding a subdivision to read:

Subd. 4m. [RESIDENTIAL LEAD ABATEMENT.] It may expend money for the purposes of section 462A.05, subdivision 15c, including establishing a revolving loan fund, and may pay the costs and expenses necessary incidental to the development and operation of a residential lead abatement loan and grant program.

### ARTICLE 3

### LEAD FUND

#### Section 1. [115C.081] [LEAD FEE.]

A lead fee is imposed on the use of storage tanks that are subject to the petroleum tank release cleanup fee imposed under section 115C.08, subdivision 3. The fee must be collected at the same time and in the same manner as the petroleum tank release cleanup fee, except the commissioner of revenue must collect the fee as provided in this section regardless of the balance in the petroleum tank release cleanup account. The fee is imposed at the rate of \$10 per 1,000 gallons of petroleum products as defined in section 296.15,

subdivision 2, rounded to the nearest 1,000 gallons. A distributor who fails to pay the fee imposed under this section is subject to the penalties provided in section 296.15. The commissioner of revenue must deposit the proceeds from the fee in the lead fund.

Sec. 2. [115C.082] [LEAD FUND.]

Subdivision 1. [FUND ESTABLISHED.] A lead fund is created in the state treasury. The fund consists of all revenue deposited in the fund under sections 115C.081 and 297E.01, subdivision 11, and all other money and interest made available to the fund by law.

Subd. 2. [USES OF FUND.] (a) Money in the lead fund may be appropriated for:

(1) all lead programs administered by the commissioner of jobs and training;

(2) all lead activities and programs administered by the commissioner of health; and

(3) all lead programs administered by the commissioner of the housing finance agency.

(b) Money in the lead fund must be annually distributed for lead abatement as follows:

(1) 25 percent, up to a maximum of \$2,000,000, to the commissioner of health for lead activities and programs;

(2) ten percent, up to a maximum of \$1,000,000, to the housing development fund for lead programs; and

(3) the remainder to the commissioner of jobs and training for lead abatement programs.

Sec. 3. [297E.01] [WHOLESALE PAINT TAX.]

Subdivision 1. [DEFINITIONS.] For purposes of this section, the terms in this subdivision have the meanings given.

(a) "Commissioner" means the commissioner of revenue.

(b) "Paint" means a fluid, semifluid, or other material which changes to a solid film when a layer is applied to a metal, wood, stone, paper, leather, cloth, plastic, or other surface. Paint includes fluids with a suspension of finely divided coloring matter, stains, and varnishes. Paint does not include:



(1) printing inks or those materials that become a part of the substrate, such as the pigment in a plastic article; or

(2) those materials that are bonded to the substrate, such as by electroplating or ceramic glazing.

(c) "Retailer" means a person who sells paint at retail to ultimate users. Retailer includes a person who buys paint for redistribution to one or more retail establishments the person owns or with which the person maintains a franchise agreement.

(d) "Wholesaler" means any person who sells or otherwise furnishes for resale purposes, from a stock maintained inside or outside the state, paint to one or more retailers within the state. Wholesaler includes a manufacturer of paint who sells paint directly to retailers.

Subd. 2. [TAX IMPOSED.] There is imposed a tax on the sale of each container of paint by a wholesaler to a retailer in the state. The rate of tax is ten cents per gallon or metric equivalent. The liability for the tax is incurred when the paint is delivered by the wholesaler to the retailer, to a common or contract carrier for delivery to the retailer, or when received by the customer's authorized representative at the wholesaler's place of business, regardless of the wholesaler's method of accounting or of the terms of the sale.

Subd. 3. [RETURNS.] The tax imposed by this section is due and payable on or before the 20th day of the month following the month in which the liability for the tax is incurred. Each wholesaler shall file a return monthly with the commissioner stating the total volume of paint the wholesaler has sold that is subject to the tax during the previous month. The commissioner may authorize returns to be filed via magnetic media or electronic data transfer.

Subd. 4. [TAX PERMIT.] Every wholesaler must file with the commissioner an application, on a form the commissioner prescribes, for a paint tax identification number and paint tax permit. A permit is not assignable and is valid only for the wholesaler in whose name it is issued.

Subd. 5. [RECORDS.] A wholesaler must keep at each licensed place of business complete and accurate records for that place of business, including itemized invoices of all paint held, purchased, manufactured, or brought in or caused to be brought in from outside the state, and all sales of paint. Books, records, and other papers and documents must be kept for a period of at least three years after the date of the documents, or the date of entries appearing in the records, unless the commissioner authorizes in writing their destruction or disposal at an earlier date. At any time during usual business hours, the commissioner or the commissioner's authorized agents may enter a wholesaler's place of business and inspect the

premises and the records required to be kept under this section, to determine whether the provisions of this chapter are being fully complied with. If the commissioner or any of the commissioner's agents are denied free access to, or are hindered or interfered with in making an inspection of, a wholesaler's place of business, the commissioner may revoke the wholesaler's permit.

Subd. 6. [SUSPENSION; REVOCATION.] The commissioner, after giving notice, may for reasonable cause revoke or suspend a permit issued to a wholesaler under this section. The notice must be sent to the distributor at least 15 days before the effective date of the proposed suspension or revocation. The notice must give the reason for the proposed action and must direct the wholesaler to show cause why the proposed action should not be taken. The notice may be served personally or by mail. A suspension or revocation is a contested case under sections 14.57 to 14.69.

Subd. 7. [REFUND.] The commissioner shall allow a refund of tax paid under this section of (1) tax paid on a container, or case of containers, of paint that is returned to a wholesaler by a retailer, and the container or case is subsequently returned by the wholesaler to the manufacturer, and (2) tax paid in excess of the amount owed. The amounts necessary to make the refunds are appropriated to the commissioner from the lead fund.

Subd. 8. [COLLECTION; CIVIL PENALTIES.] The provisions of chapter 297A relating to the commissioner's authority to audit, assess, and collect the tax imposed by that chapter apply to the tax, penalty, and interest imposed by this section. The commissioner shall impose civil penalties for violation of this section as provided in section 289A.60, and the additional tax and penalties are subject to interest at the rate provided in section 270.75.

Subd. 9. [RULES.] The commissioner may adopt rules, including emergency rules, for the administration and enforcement of this chapter.

Subd. 10. [PERSONAL DEBT.] The tax imposed by this section, penalties and interest thereon, is a personal debt of the person required to file a return from the time the liability for the tax arises, without regard to when the time for payment of the liability occurs. The debt is, in the case of the executor or administrator of the estate or a decedent and in the case of and fiduciary, that of the person in the person's official or fiduciary capacity only unless the person has voluntarily distributed the assets held in that capacity without reserving sufficient assets to pay the tax, interest, and penalties, in which event the person is personally liable for any deficiency.

Subd. 11. [DEPOSIT OF FUNDS.] All revenues received under this chapter must be paid to the state treasurer for deposit in the lead fund.

## Sec. 4. [297E.02] [VIOLATIONS.]

It is a gross misdemeanor for any person to:

(1) possess, with intent to evade the tax, paint on which the tax imposed by section 3 has not been paid;

(2) make a false statement on any return or other document filed with the commissioner under this chapter; or

(3) fail to keep, or to falsify, a record required to be kept under this chapter.

## Sec. 5. [FUND BALANCE.]

For two fiscal years, beginning with the first full fiscal year following enactment of this article, the commissioner of finance shall notify the commissioner of revenue if the unencumbered balance in the lead fund established in section 2, reaches \$..... After receiving such notification, the commissioner of revenue shall not impose the fee established in section 1 on the use of a tank. If the fee is not imposed for a period of time in one fiscal year because the fund balance exceeds the maximum amount established in this section, the commissioner of revenue shall impose the fee beginning on the first day of the next fiscal year regardless of the balance in the lead fund."

Delete the title and insert:

"A bill for an act relating to housing; modifying requirements for lead education, assessment, screening, and abatement; transferring rule authority from the commissioner of the pollution control agency to the commissioner of health; establishing a lead abatement account in the housing development fund; creating a lead abatement and training program; establishing a lead abatement program; creating a lead fund; establishing a lead abatement fee on petroleum storage tanks; establishing a paint tax; providing penalties; amending Minnesota Statutes 1990, sections 144.871, subdivisions 3, 6, 8, and by adding subdivisions; 144.872, subdivisions 1, 2, 4, and by adding a subdivision; 144.873, subdivisions 2 and 3; 144.876; and 144.878, subdivision 2, and by adding a subdivision; 462A.21, by adding a subdivision; Minnesota Statutes 1991 Supplement, sections 144.871, subdivision 2; 144.873, subdivision 1; 144.874, subdivisions 1, 2, 3, and 12; and 462A.05, subdivision 15c; proposing coding for new law in Minnesota Statutes, chapters 115C; and 268; proposing coding for new law as Minnesota Statutes, chapter 297E; repealing Minnesota Statutes 1990, sections 116.51; 116.52; 116.53, subdivision 1; and 144.878, subdivision 4."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Health and Human Services.

The report was adopted.

### INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Kalis; Johnson, A.; Lieder and Seaberg introduced:

H. F. No. 2032, A bill for an act relating to highways; providing for resolution of local disapproval of certain county state-aid highway actions; providing that part of county state-aid highway fund be apportioned on basis of lane-miles; changing composition of county state-aid screening board; making technical changes; amending Minnesota Statutes 1990, sections 160.02, by adding a subdivision; 162.02, subdivisions 8, 10, and by adding a subdivision; 162.07, subdivisions 1, 5, and 6; and 162.155.

The bill was read for the first time and referred to the Committee on Transportation.

Orenstein, Vellenga and Dawkins introduced:

H. F. No. 2033, A bill for an act relating to the city of St. Paul; setting the maximum amounts and other conditions for the issuance of capital improvement bonds; amending Laws 1971, chapter 773, section 1, subdivision 2, as amended; and section 2, as amended.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Bodahl, Welle, Ostrom, Lynch and Solberg introduced:

H. F. No. 2034, A bill for an act relating to health; allowing persons who voluntarily provide assistance at the scene of an accident to obtain test results to determine whether they have been exposed to HIV or hepatitis B; amending Minnesota Statutes 1990, section 144.761, subdivision 5.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Runbeck, McEachern, Kelso, Davids and Newinski introduced:

H. F. No. 2035, A bill for an act relating to motor vehicles; providing for free motor vehicle license plates for former prisoners of war; amending Minnesota Statutes 1990, section 168.125, subdivision 1.

The bill was read for the first time and referred to the Committee on Transportation.

Hanson; Anderson, I.; Bishop; Pugh and Solberg introduced:

H. F. No. 2036, A bill for an act relating to community corrections; making certain construction jail standards optional; making certain operating jail standards more flexible; proposing coding for new law in Minnesota Statutes, chapter 241.

The bill was read for the first time and referred to the Committee on Judiciary.

Dorn, Frederick, Rodosovich, Ostrom and Kalis introduced:

H. F. No. 2037, A bill for an act relating to capital improvements; providing for repairs and upgrading of the Sakatah Singing Hills State Trail; appropriating money.

The bill was read for the first time and referred to the Committee on Appropriations.

McEachern, Rice, Pelowski, Ozment and Johnson, A., introduced:

H. F. No. 2038, A bill for an act relating to education; appropriating money for the Minnesota institute for the advancement of teaching; requiring a report.

The bill was read for the first time and referred to the Committee on Education.

Johnson, A.; Lasley; Kelso; McEachern and Schafer introduced:

H. F. No. 2039, A bill for an act relating to education; increasing aid for school districts for placements of disabled children in residential facilities and for contracted residential services in nonresident facilities; appropriating money; amending Minnesota Statutes 1990, section 124.32, subdivisions 1d and 5.

The bill was read for the first time and referred to the Committee on Education.

Vanasek, Solberg and Johnson, R., introduced:

H. F. No. 2040, A bill for an act relating to education; providing for a transportation levy for late activity buses and a levy adjustment; amending Minnesota Statutes 1990, section 275.125, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Education.

Segal, Vellenga, Rodosovich and Greenfield introduced:

H. F. No. 2041, A bill for an act relating to the treatment of juvenile offenders; establishing pilot projects for mental health and chemical dependency screening and treatment of juveniles in detention; appropriating money; amending Minnesota Statutes 1990, section 260.185, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 260.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Pelowski, Welle, Dorn and Carlson introduced:

H. F. No. 2042, A bill for an act relating to education; abolishing the higher education board; amending Minnesota Statutes 1991 Supplement, sections 15A.081, subdivision 7b; and 179A.10, subdivision 2; repealing Minnesota Statutes 1991 Supplement, sections 136E.01; 136E.02; 136E.03; 136E.04; and 136E.05; and Laws 1991, chapter 356, article 9, sections 8, 9, 10, 11, 12, 13, and 14.

The bill was read for the first time and referred to the Committee on Education.

Dawkins, Blatz, Wejcman, O'Connor and Boo introduced:

H. F. No. 2043, A bill for an act relating to commerce; consumer protection; regulating the sale of dogs and cats by animal distributors; requiring the registration of distributors; prescribing penalties; providing remedies; creating a commission on commercial animal facilities and practices; proposing coding for new law in Minnesota Statutes, chapter 325F.

The bill was read for the first time and referred to the Committee on Commerce.

Trimble, Heir, Munger, Bishop and Stanius introduced:

H. F. No. 2044, A bill for an act relating to water; creating an exemption from certain requirements relating to once-through water use permits; amending Minnesota Statutes 1990, section 103G.271, subdivision 5.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Hasskamp introduced:

H. F. No. 2045, A bill for an act relating to the town of Lake Edward; providing for withdrawal from watershed districts.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Bertram and Boo introduced:

H. F. No. 2046, A bill for an act relating to commerce; motor vehicle lienholders; requiring notice to certain secured creditors before the vehicle is sold; amending Minnesota Statutes 1990, section 514.20.

The bill was read for the first time and referred to the Committee on Commerce.

Solberg and Vellenga introduced:

H. F. No. 2047, A bill for an act relating to crimes; prohibiting release of inmates on holidays and weekends; requiring the establishment of certified sex offender treatment programs in correctional facilities; providing for the establishment of a chemical dependency treatment program in all correctional facilities; prohibiting good time for offenders who fail to complete court-ordered chemical dependency treatment; establishing a probation standards task force; requiring courts to make findings when recommended drug treatment is not ordered; amending Minnesota Statutes 1990, section 241.67, subdivision 3; 242.195, subdivision 2; and 244.04, subdivision 1; Minnesota Statutes 1991 Supplement, section 609.115, subdivision 8; proposing coding for new law in Minnesota Statutes, chapter 241.

The bill was read for the first time and referred to the Committee on Judiciary.

Welle introduced:

H. F. No. 2048, A bill for an act relating to Kandiyohi county; permitting the consolidation of the offices of auditor and treasurer.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Thompson; Anderson, R.; Sparby; Ogren and Rest introduced:

H. F. No. 2049, A bill for an act relating to taxation; providing an additional property tax refund to certain homeowners; amending Minnesota Statutes 1990, section 290A.04, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Taxes.

Bishop, Greenfield, Rodosovich, Stanius and Orenstein introduced:

H. F. No. 2050, A bill for an act relating to public health; providing for the reporting and monitoring of certain licensed health care workers who are infected with the human immunodeficiency virus or hepatitis B virus; authorizing rulemaking for certain health-related licensing boards; providing penalties; appropriating money; amending Minnesota Statutes 1990, sections 144.054; 144.55, subdivision 3; 147.091, subdivision 1; 148.261, subdivision 1; 150A.08, subdivision 1; 153.19, subdivision 1; and 214.12; proposing coding in Minnesota Statutes, chapters 150A; and 214.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Reding introduced:

H. F. No. 2051, A bill for an act relating to state government; appointments of department heads and members of administrative boards and agencies; clarifying procedures and requirements; amending Minnesota Statutes 1990, sections 15.0575, subdivision 4; 15.06, subdivision 5; and 15.066, subdivision 2.

The bill was read for the first time and referred to the Committee on Governmental Operations.



Bertram, Boo and Brown introduced:

H. F. No. 2052, A bill for an act relating to financial institutions; credit unions; regulating investments in share certificates; authorizing credit unions to make reverse mortgage loans; regulating credit unions as depositories of various funds; amending Minnesota Statutes 1990, sections 41B.19, subdivision 6; 47.58, subdivision 1; 48.64; 48.86; 50.14, subdivision 13; 80A.14, subdivision 9; 116J.8765, subdivision 4; 118.01, subdivision 1; 118.10; 136.31, subdivision 6; 356A.06, subdivision 6; 427.01; 446A.11, subdivision 9; and 475.67, subdivision 5; Minnesota Statutes 1991 Supplement, section 11A.24, subdivision 4.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Janezich, Dempsey, Jaros, Dauner and Stanius introduced:

H. F. No. 2053, A bill for an act relating to drivers' licenses; increasing fees; amending Minnesota Statutes 1990, section 171.06, subdivisions 2 and 4.

The bill was read for the first time and referred to the Committee on Transportation.

Bertram, Dille and Kalis introduced:

H. F. No. 2054, A bill for an act relating to agriculture; changing the effective date for requirement that pesticide distributors accept used containers and unused pesticides; clarifying certain language; amending Minnesota Statutes 1990, section 18B.135, subdivision 1; and Laws 1989, chapter 326, article 5, section 54.

The bill was read for the first time and referred to the Committee on Agriculture.

Hasskamp, Vellenga, McGuire, Pugh and Swenson introduced:

H. F. No. 2055, A bill for an act relating to crime victims; requiring a crime victimization survey; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 611A.

The bill was read for the first time and referred to the Committee on Judiciary.

Mariani, Garcia and Jaros introduced:

H. F. No. 2056, A bill for an act relating to post-secondary education; adding certain classes of students to be included in enrollments used for appropriations; amending Minnesota Statutes 1991 Supplement, section 135A.03, subdivision 7.

The bill was read for the first time and referred to the Committee on Education.

Rest introduced:

H. F. No. 2057, A bill for an act relating to elections; presidential primary; allowing cities to designate a single polling place for the presidential primary; amending Minnesota Statutes 1990, section 204B.16, by adding a subdivision.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Olsen, S.; Henry; Fellow; Ozment and Tompkins introduced:

H. F. No. 2058, A bill for an act relating to education; removing technical colleges from the authority of the higher education board; removing the technical college system from the merger of post-secondary education systems; amending Minnesota Statutes 1991 Supplement, sections 136E.03; 136E.04, subdivision 1; 179A.10, subdivision 2; Laws 1991, chapter 356, article 9, sections 8, subdivisions 1 and 4; 9; and 14; repealing Minnesota Statutes 1991 Supplement, section 136E.04, subdivision 4; Laws 1991, chapter 356, article 9, sections 8, subdivision 6; and 11.

The bill was read for the first time and referred to the Committee on Education.

Bettermann and Frederick introduced:

H. F. No. 2059, A bill for an act relating to occupations and professions; board of electricity; adding a member with military experience to the board; requiring that equivalent credit be given for electrical experience in the military; requiring the board to amend its rules; amending Minnesota Statutes 1990, sections 326.241, subdivision 1; and 326.242, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Cooper introduced:

H. F. No. 2060, A bill for an act relating to human services; directing the commissioner of human services to exempt intermediate care facilities for persons with mental retardation from Minnesota Rules, parts 9525.0215 to 9525.0430.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Hausman, O'Connor, Mariani and Orenstein introduced:

H. F. No. 2061, A bill for an act relating to libraries; changing the maintenance of local effort requirement for regional library basic system support grants; amending Minnesota Statutes 1990, section 134.34, subdivision 4.

The bill was read for the first time and referred to the Committee on Education.

Gutknecht, Gruenes, Rodosovich, Greenfield and Bishop introduced:

H. F. No. 2062, A bill for an act relating to human services; providing for a demonstration project to evaluate the effects and costs of downsizing the size of intermediate care facilities for persons with mental retardation; appropriating money.

The bill was read for the first time and referred to the Committee on Health and Human Services.

O'Connor, Jacobs, Reding, Knickerbocker and Johnson, R., introduced:

H. F. No. 2063, A bill for an act relating to retirement; changing provisions governing reduced annuities from the public employees retirement association due to reemployment of annuitants; amending Minnesota Statutes 1990, section 353.37, subdivision 1.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Carruthers, Vellenga, Pugh and Blatz introduced:

H. F. No. 2064, A bill for an act relating to crime; expanding the administrative subpoena power of the county attorney; making information on closed bank accounts available to authorities inves-

tigating worthless check cases; specifying when certain search warrants may be served; amending Minnesota Statutes 1990, sections 388.23, subdivision 1; 609.541, subdivision 4; and 626.14; Minnesota Statutes 1991 Supplement, section 609.535, subdivision 6.

The bill was read for the first time and referred to the Committee on Judiciary.

Trimble, Vellenga, Dawkins, Swenson and Jefferson introduced:

H. F. No. 2065, A bill for an act relating to human services; establishing a grant program for crime prevention services for Asian youth; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 256.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Trimble and Heir introduced:

H. F. No. 2066, A bill for an act relating to occupational health and safety; requiring a study of video display terminal operators health risks; appropriating money.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Hanson introduced:

H. F. No. 2067, A bill for an act relating to crimes; imposing a felony penalty for a third or subsequent violation of the laws prohibiting driving while intoxicated; amending Minnesota Statutes 1990, section 169.121, subdivision 3.

The bill was read for the first time and referred to the Committee on Judiciary.

Pugh introduced:

H. F. No. 2068, A bill for an act relating to the city of West Saint Paul; providing for delayed property tax assessment of improvements to certain residential property.

The bill was read for the first time and referred to the Committee on Taxes.

Wenzel, Omann, Krueger, Lourey and Osthoff introduced:

H. F. No. 2069, A bill for an act relating to the military; appropriating money for a day care center at Camp Ripley.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Johnson, A.; Kelso; Hasskamp; McGuire and Clark introduced:

H. F. No. 2070, A bill for an act relating to violence; establishing a state violence prevention advisory council; requiring a community violence prevention task force to be established in school districts within the community education program; authorizing revenue for community violence prevention programs; appropriating money; proposing coding for new law in Minnesota Statutes, chapters 8; 121; and 124.

The bill was read for the first time and referred to the Committee on Education.

Pugh, Schreiber, Welle, Winter and Dempsey introduced:

H. F. No. 2071, A bill for an act relating to tax increment financing; clarifying, recodifying, and providing tax increment financing procedures and requirements; proposing coding for new law in Minnesota Statutes, chapter 469; repealing Minnesota Statutes 1990, section 273.1399, as amended.

The bill was read for the first time and referred to the Committee on Economic Development.

Johnson, A., and McEachern introduced:

H. F. No. 2072, A bill for an act relating to education and crime prevention; providing a comprehensive student services program for elementary school students; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 123.

The bill was read for the first time and referred to the Committee on Education.

Welker, Bettermann, Seaberg, Swenson and Dempsey introduced:

H. F. No. 2073, A bill for an act relating to crime; proposing the safe communities act of 1992; increasing penalties for violent crimes; enhancing protections for crime victims; providing measures

to assist in the enforcement of criminal laws and the supervision of offenders; authorizing the commissioner of public safety to award emergency anti-crime initiatives grants; providing for anti-violence education and prevention programs; proposing a variety of changes to the felony sentencing system; eliminating "good time" reductions in prison sentences; increasing and imposing new penalties on DWI offenders; increasing treatment and correctional resources for juvenile offenders; improving the operation of the psychopathic personality commitment law; establishing task forces to study ways of improving the criminal records system, the juvenile justice system, and the data practices laws; authorizing state bonds to expand the Minnesota security hospital for psychopathic personality commitments and to permit secure confinement of juveniles at the Minnesota correctional facility-Red Wing; appropriating money and raising fees to fund anti-crime initiatives and other criminal justice system needs; appropriating money; amending Minnesota Statutes 1990, sections 8.01; 8.15; 16A.531, by adding a subdivision; 125.05, subdivision 2; 135A.15; 168.042, subdivisions 2 and 4; 169.121, subdivisions 3, 3a, 3c, 4, and 5; 169.123, subdivision 4; 204B.36, subdivision 4; 241.67, subdivisions 3, and by adding a subdivision; 242.195, subdivision 1; 243.53; 244.01, subdivision 8; 244.03; 244.04, subdivisions 1 and 3; 244.05, subdivisions 1, 4, 5, and by adding subdivisions; 244.09, by adding a subdivision; 259.11; 270A.03, subdivision 5; 488A.021, subdivision 3; 488A.19, subdivision 3; 595.02, subdivision 4; 609.033; 609.0341; 609.10; 609.101, by adding a subdivision; 609.115, subdivision 1a; 609.125; 609.135, subdivision 5; 609.152, subdivision 3; 609.19; 609.224, subdivision 2; 609.346, subdivisions 2, 2a, and by adding subdivisions; 609.531, subdivision 6a; 609.5312, subdivision 1; 611A.52, subdivision 6; 624.714, subdivisions 1, 7 and by adding subdivision; 630.36, subdivision 1, and by adding a subdivision; 631.035; 631.07; Minnesota Statutes 1991 Supplement, sections 121.88, subdivision 10; 125.185, subdivision 4a; 169.123, subdivision 2; 171.29, subdivision 2; 171.30, subdivision 2a; 243.166, subdivision 1; 259.10; 260.125, subdivision 3; 260.161, subdivision 3; 518B.01, subdivision 14; 609.531, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 126; 169; 244; 256F; 290; 299A; 526; 609; 611A; 617; and 626; repealing Minnesota Statutes 1990, section 204B.36, subdivision 5.

The bill was read for the first time and referred to the Committee on Judiciary.

O'Connor, Bertram, Osthoff and Dempsey introduced:

H. F. No. 2074, A bill for an act relating to liquor; requiring the sale of Minnesota-produced beer only, under a license issued by the metropolitan airports commission; amending Minnesota Statutes 1990, section 340A.909, subdivision 1.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Welker, Vellenga, Heir, Pugh and Orfield introduced:

H. F. No. 2075, A bill for an act relating to crime; authorizing collection of fines from inmates' wages; providing that a parent of a victim of harassment who is a minor may seek a restraining order in district court; amending Minnesota Statutes 1990, sections 241.26, subdivision 5; and 609.748, subdivision 2.

The bill was read for the first time and referred to the Committee on Judiciary.

Dawkins, Wejcman, Smith, Jefferson and Vellenga introduced:

H. F. No. 2076, A bill for an act relating to landlords and tenants; providing for assignment to the county attorney of the landlord's right to evict for breach of the covenant not to sell drugs or permit their sale; clarifying the law on forfeiture of real estate interests related to contraband or controlled substance seizures; amending Minnesota Statutes 1990, sections 504.181, subdivision 2; and 609.5317, subdivision 1.

The bill was read for the first time and referred to the Committee on Housing.

Girard, Vanasek, Steensma, Welker and Hugoson introduced:

H. F. No. 2077, A bill for an act relating to education; changing the earliest possible starting day for school to the first Tuesday in September; amending Minnesota Statutes 1991 Supplement, section 126.12, subdivision 1.

The bill was read for the first time and referred to the Committee on Education.

Ostrom and Olson, K., introduced:

H. F. No. 2078, A bill for an act relating to education; clarifying and expanding certain accounting and fund transfer authority with respect to the food service fund; amending Minnesota Statutes 1991 Supplement, section 124.646, subdivision 4.

The bill was read for the first time and referred to the Committee on Education.

**Hasskamp and Gutknecht introduced:**

**H. F. No. 2079, A bill for an act relating to taxation; property; reducing the penalties for taxes paid within three days of the due date; abating penalties for certain unforeseen circumstances; amending Minnesota Statutes 1990, section 279.01, subdivision 3; Minnesota Statutes 1991 Supplement, section 279.01, subdivisions 1 and 2.**

**The bill was read for the first time and referred to the Committee on Taxes.**

**Tunheim; Johnson, V.; Lasley and Trimble introduced:**

**H. F. No. 2080, A bill for an act relating to railroads; providing for reimbursement of expenses for maintaining signals and other safety devices at crossings; requiring commissioner of transportation to identify areas where insufficient rail service is detrimental to efficient transportation; removing restrictions on grants for rail rehabilitation projects; appropriating money; amending Minnesota Statutes 1990, section 222.50, subdivision 6, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 219.**

**The bill was read for the first time and referred to the Committee on Transportation.**

**Tunheim introduced:**

**H. F. No. 2081, A bill for an act relating to health; modifying provider appeal requirements for medical assistance; amending Minnesota Statutes 1990, section 256B.50, subdivision 1b.**

**The bill was read for the first time and referred to the Committee on Health and Human Services.**

**Skoglund, Leppik, Lourey, Wagenius and Jacobs introduced:**

**H. F. No. 2082, A bill for an act relating to utilities; requiring more efficient customer service by telephone companies; requiring companies to honor a request for tracing calls made to a household that has received harassing calls; proposing coding for new law in Minnesota Statutes, chapter 237.**

**The bill was read for the first time and referred to the Committee on Regulated Industries.**



Hausman, Dawkins, Orfield, McGuire and Segal introduced:

H. F. No. 2083, A bill for an act relating to child care; extending the prohibition on smoking to family day care providers; updating the reference to the rule governing child care centers; amending Minnesota Statutes 1990, section 144.414, subdivision 2.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Olson, E.; Sparby; Jennings; Reding and Cooper introduced:

H. F. No. 2084, A bill for an act relating to state government; requiring state agencies to act on permit and license applications within 60 days; proposing coding for new law in Minnesota Statutes, chapter 15.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Hanson, Solberg, Kalis, Vellenga and Swenson introduced:

H. F. No. 2085, A bill for an act relating to crimes; authorizing forfeiture of certain conveyances operated while intoxicated; creating an alcohol victims reparations account; annually appropriating money in the fund to the crime victims reparations board; amending Minnesota Statutes 1990, sections 609.531, subdivision 1; 609.5312, subdivision 1; 609.5315, subdivision 5; 611A.52, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 611A.

The bill was read for the first time and referred to the Committee on Judiciary.

Kelso, McEachern, Vellenga, Wagenius and Johnson, A., introduced:

H. F. No. 2086, A bill for an act relating to education; requiring school districts to develop and implement violence prevention programs; requiring in-service education for all district staff; establishing a violence prevention and sexual harassment curriculum resource center; reserving general education and early childhood family education revenue for in-service education for violence prevention programs; increasing the general education formula allowance; increasing the early childhood family education allowance; appropriating money; amending Minnesota Statutes 1991 Supplement, sections 124.2711, subdivisions 1 and 4; 124A.22, subdivision 2; 124A.29, subdivision 1; and 126.70, subdivisions 1 and 2a; proposing coding for new law in Minnesota Statutes, chapter 121.

The bill was read for the first time and referred to the Committee on Education.

Johnson, R.; Vellenga; Solberg; McGuire and Blatz introduced:

H. F. No. 2087, A bill for an act relating to juvenile justice; defining "child in need of protection services" and "child abuse"; amending Minnesota Statutes 1990, section 260.015, by adding a subdivision; Minnesota Statutes 1991 Supplement, section 260.015, subdivision 2a.

The bill was read for the first time and referred to the Committee on Judiciary.

Sparby; Kalis; Lieder; Olson, E., and Waltman introduced:

H. F. No. 2088, A bill for an act relating to transportation; requiring study of certain rail-highway grade crossing accidents.

The bill was read for the first time and referred to the Committee on Transportation.

Murphy, Rodosovich, Jacobs and Ogren introduced:

H. F. No. 2089, A bill for an act relating to energy; providing incentives for the use of renewable energy sources; providing property tax and sales and use tax exemptions for photovoltaic devices; amending Minnesota Statutes 1990, sections 216C.06, by adding a subdivision; and 297A.25, by adding a subdivision; Minnesota Statutes 1991 Supplement, section 272.02, subdivision 1.

The bill was read for the first time and referred to the Committee on Energy.

Carruthers, Vellenga, Skoglund, Swenson and Bertram introduced:

H. F. No. 2090, A bill for an act relating to crimes; enforcing mandatory insurance requirement for vehicles; providing for penalties; providing for loss of driver's license and motor vehicle registration; amending Minnesota Statutes 1990, sections 65B.67, subdivision 4; 169.791; 169.792; 169.793; 169.794; and 171.19; Minnesota Statutes 1991 Supplement, sections 168.041, subdivision 4; 169.795; 171.29, subdivision 1; and 171.30, subdivision 1; repealing Minnesota Statutes 1990, section 169.792, subdivision 9; and Minnesota Statutes 1991 Supplement, section 168.041, subdivision 1a.

The bill was read for the first time and referred to the Committee on Judiciary.

Frederick, Beard and Henry introduced:

H. F. No. 2091, A bill for an act relating to motor vehicles; specifying that registration and payment of taxes on a motor vehicle to which special veterans' license plates had been issued is the responsibility of the transferee; proposing coding for new law in Minnesota Statutes, chapter 168.

The bill was read for the first time and referred to the Committee on Transportation.

Heir, Goodno, Welker and Lynch introduced:

H. F. No. 2092, A bill for an act relating to taxation; sales and use; modifying the accelerated payment of June sales tax liability; amending Minnesota Statutes 1991 Supplement, section 289A.20, subdivision 4.

The bill was read for the first time and referred to the Committee on Taxes.

Hasskamp, Garcia, Kelso, Greenfield and Ozment introduced:

H. F. No. 2093, A bill for an act relating to education; prohibiting the use of all tobacco products in public elementary and secondary schools; amending Minnesota Statutes 1990, sections 144.413, subdivision 2; and 144.417, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 144.

The bill was read for the first time and referred to the Committee on Education.

Jefferson introduced:

H. F. No. 2094, A bill for an act relating to children; changing requirements for certain placements and adoptions of children; requiring certain information and assistance to be provided; amending Minnesota Statutes 1990, sections 257.01; 257.072; 257.0725; 259.255; 259.28, subdivision 2; 259.455; 260.181, subdivision 3; 260.191, subdivision 1a; and 260.242, subdivision 1a; Minnesota Statutes 1991 Supplement, section 257.071, subdivision 1a; proposing coding for new law in Minnesota Statutes, chapter 257.

The bill was read for the first time and referred to the Committee on Judiciary.

Greenfield introduced:

H. F. No. 2095, A bill for an act relating to health; extending the approval expiration date for the moratorium exception process; modifying property reimbursement for homes granted a moratorium exception; amending Minnesota Statutes 1990, sections 144A.073, subdivision 3; and 256B.431, by adding a subdivision; repealing Laws 1991, chapter 292, article 4, section 77, subdivision 9.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Farrell, Dempsey, Janezich, Kinkel and O'Connor introduced:

H. F. No. 2096, A bill for an act relating to commerce; motor vehicle sale and distribution; regulating payments upon franchise termination, cancellation, or nonrenewal; amending Minnesota Statutes 1990, section 80E.09, subdivision 1.

The bill was read for the first time and referred to the Committee on Commerce.

Cooper, Welle, Solberg, Beard and Anderson, R., introduced:

H. F. No. 2097, A bill for an act relating to employment; classifying rescue squad workers as employees for purposes of workers' compensation; requiring an evaluation of ambulance personnel classification; amending Minnesota Statutes 1990, section 176.011, subdivision 9.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Kalis introduced:

H. F. No. 2098, A bill for an act relating to housing; landlord and tenant; lowering the interest rate for rental deposits held by landlords; amending Minnesota Statutes 1990, section 504.20, subdivision 2.

The bill was read for the first time and referred to the Committee on Housing.

Carruthers, Skoglund, Abrams and Blatz introduced:

H. F. No. 2099, A bill for an act relating to insurance; auto; requiring insurers to fully reimburse insureds for deductible amounts before retaining subrogation proceeds; specifying related rights of insureds; amending Minnesota Statutes 1991 Supplement, section 72A.201, subdivision 6.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Cooper, Greenfield, Stanius, Rodosovich and Welle introduced:

H. F. No. 2100, A bill for an act relating to health; providing an exemption from Minnesota antitrust law; amending Minnesota Statutes 1990, section 325D.55, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Kelso; Johnson, A.; Vellenga and Bauerly introduced:

H. F. No. 2101, A bill for an act relating to education; allowing children to attend school for 30 days without participating in early childhood developmental screening; allowing parents to decline to provide certain information without penalty; adding health history as an optional screening component; adding height and weight as a required component; amending Minnesota Statutes 1991 Supplement, section 123.702, subdivisions 1, 1a, and 1b.

The bill was read for the first time and referred to the Committee on Education.

Beard, Hanson, McEachern, Bauerly and Milbert introduced:

H. F. No. 2102, A bill for an act relating to education; providing for an open and standing appropriation for debt service equalization aid; appropriating money for debt service equalization aid for school districts; proposing coding for new law in Minnesota Statutes, chapter 124.

The bill was read for the first time and referred to the Committee on Education.

Blatz, O'Connor, Jennings, Heir and Anderson, I., introduced:

H. F. No. 2103, A bill for an act relating to alcoholic beverages;

authorizing purchase from a retailer and resale by a person holding a permit from the commissioner of public safety as a resale exporter; amending Minnesota Statutes 1990, section 340A.505.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Milbert, Sparby, McEachern, Sviggum and Bertram introduced:

H. F. No. 2104, A bill for an act relating to lawful gambling; exempting certain organizations from the requirement to have an annual financial audit; amending Minnesota Statutes 1991 Supplement, section 349.19, subdivision 9.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Vanasek, Rodosovich, McEachern, Ostrom and Olsen, S., introduced:

H. F. No. 2105, A bill for an act relating to education; adding independent school district No. 392, Le Center, to those districts with certain additional capital bonding authority; amending Laws 1991, chapter 265, article 5, section 18.

The bill was read for the first time and referred to the Committee on Education.

Trimble, Jefferson and Sarna introduced:

H. F. No. 2106, A bill for an act relating to financial institutions; currency exchanges; imposing distance limitations and operating restrictions; requiring local approval of licenses; amending Minnesota Statutes 1990, sections 53A.02; 53A.04; and 53A.05.

The bill was read for the first time and referred to the Committee on Commerce.

Hanson, Brown, Swenson and Carruthers introduced:

H. F. No. 2107, A bill for an act relating to driver education; requiring driver education courses in public schools and private driver training schools to offer at least two hours instruction on abuse of alcohol and drugs; amending Minnesota Statutes 1990, section 171.04, subdivision 1.

The bill was read for the first time and referred to the Committee on Education.

O'Connor, Vellenga, Bertram, Mariani and Dempsey introduced:

H. F. No. 2108, A bill for an act relating to agriculture; requiring certain events to sell Minnesota-grown or produced food and beverages; proposing coding for new law in Minnesota Statutes, chapter 17.

The bill was read for the first time and referred to the Committee on Commerce.

Kelso and Ostrom introduced:

H. F. No. 2109, A bill for an act relating to education; defining resident district for certain pupils; amending Minnesota Statutes 1990, section 124.17, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Education.

Kelso and Rodosovich introduced:

H. F. No. 2110, A bill for an act relating to education; modifying and clarifying certain provisions relating to the state academies at Faribault; amending Minnesota Statutes 1990, section 120A.09, subdivision 2, and by adding a subdivision; Minnesota Statutes 1991 Supplement, section 120.17, subdivision 7a; repealing Minnesota Statutes 1990, section 128A.022, subdivision 5.

The bill was read for the first time and referred to the Committee on Education.

Hausman, Wejcman, Lourey, McGuire and Segal introduced:

H. F. No. 2111, A resolution memorializing Congress to propose an amendment to the Budget Enforcement Act of 1991, allowing for transfers of savings in the military account to the domestic budget.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Hasskamp and Wenzel introduced:

H. F. No. 2112, A bill for an act relating to education; technical

and community colleges; authorizing bonds for construction of buildings at the joint campus of the technical and community colleges at Brainerd; appropriating money.

The bill was read for the first time and referred to the Committee on Appropriations.

Orenstein introduced:

H. F. No. 2113, A bill for an act relating to traffic regulations; authorizing the operation of flashing lights and stop arms on school buses transporting persons age 18 and under to and from certain activities; requiring school bus sign on school bus providing such transportation; amending Minnesota Statutes 1991 Supplement, sections 169.441, subdivision 3; 169.443, subdivision 3, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Transportation.

Cooper, Gruenes, Segal, Macklin and Lourey introduced:

H. F. No. 2114, A bill for an act relating to civil actions; providing limited immunity from civil liability for volunteer medical directors and volunteer physicians; amending Minnesota Statutes 1990, section 604.05, by adding subdivisions.

The bill was read for the first time and referred to the Committee on Judiciary.

### **CONSENT CALENDAR**

Welle moved that the bill on the Consent Calendar for today be continued. The motion prevailed.

### **GENERAL ORDERS**

Welle moved that the bills on General Orders for today be continued. The motion prevailed.

### **MOTIONS AND RESOLUTIONS**

Wenzel moved that his name be stricken as an author on H. F. No. 1597. The motion prevailed.



Rest moved that the name of Erhardt be added as an author on H. F. No. 1702. The motion prevailed.

Milbert moved that the names of Beard and Frederick be added as authors on H. F. No. 1801. The motion prevailed.

Omann moved that the names of Girard and Pelowski be added as authors on H. F. No. 1905. The motion prevailed.

Jefferson moved that the name of Dawkins be added as an author on H. F. No. 1941. The motion prevailed.

Rukavina moved that the name of Anderson, R., be added as an author on H. F. No. 1952. The motion prevailed.

Rest moved that the name of Peterson be added as an author on H. F. No. 1959. The motion prevailed.

Segal moved that the name of Kelso be added as chief author on H. F. No. 1964. The motion prevailed.

Blatz moved that the name of Hufnagle be added as an author on H. F. No. 1969. The motion prevailed.

Garcia moved that the name of Henry be added as an author on H. F. No. 1986. The motion prevailed.

Rest moved that the names of Seaberg and Bishop be added as authors on H. F. No. 2007. The motion prevailed.

Cooper moved that the name of Dille be added as an author on H. F. No. 2008. The motion prevailed.

#### ADJOURNMENT

Welle moved that when the House adjourns today it adjourn until 2:30 p.m., Thursday, February 27, 1992. The motion prevailed.

Welle moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Thursday, February 27, 1992.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



## STATE OF MINNESOTA

## SEVENTY-SEVENTH SESSION—1992

## SEVENTIETH DAY

SAINT PAUL, MINNESOTA, THURSDAY, FEBRUARY 27, 1992

The House of Representatives convened at 2:30 p.m. and was called to order by Dee Long, Speaker of the House.

Prayer was offered by Pastor David Bosshardt, United Methodist Church, Owatonna, Minnesota.

The roll was called and the following members were present:

Abrams	Frerichs	Kinkel	Olsen, S.	Smith
Anderson, I.	Garcia	Knickerbocker	Olson, E.	Solberg
Anderson, R. H.	Girard	Koppendrayner	Olson, K.	Sparby
Battaglia	Goodno	Krambeer	Omann	Stanius
Bauerly	Greenfield	Krinkie	Onnen	Steenasma
Beard	Gruenes	Krueger	Orenstein	Sviggum
Begich	Gutknecht	Lasley	Orfield	Swenson
Bertram	Hanson	Leppik	Osthoff	Thompson
Bettermann	Hartle	Lieder	Ostrom	Tompkins
Bishop	Hasskamp	Limmer	Ozment	Trimble
Blatz	Haukoos	Lourey	Pauly	Tunheim
Bodahl	Hausman	Lynch	Pellow	Uphus
Boo	Heir	Macklin	Pelowski	Valento
Brown	Henry	Mariani	Peterson	Vanasek
Carlson	Hufnagle	Marsh	Pugh	Vellenga
Carruthers	Hugoson	McEachern	Reding	Wagenius
Clark	Jacobs	McGuire	Rest	Waltman
Cooper	Janezich	McPherson	Rice	Weaver
Dauner	Jaros	Milbert	Rodosovich	Wejcman
Davids	Jefferson	Morrison	Rukavina	Welker
Dawkins	Jennings	Munger	Runbeck	Welle
Dempsey	Johnson, A.	Murphy	Sarna	Wenzel
Dille	Johnson, R.	Nelson, K.	Schafer	Winter
Dorn	Johnson, V.	Nelson, S.	Schreiber	Spk. Long
Erhardt	Kahn	Newinski	Seaberg	
Farrell	Kalis	O'Connor	Simoneau	
Frederick	Kelso	Ogren	Skoglund	

A quorum was present.

Anderson, R., and Segal were excused.

The Chief Clerk proceeded to read the Journal of the preceding day. Leppik moved that further reading of the Journal be dispensed

with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

## REPORTS OF STANDING COMMITTEES

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 756, A bill for an act relating to labor; establishing rights and duties in relation to union organization; providing that certain acts are an unfair labor practice; proposing penalties; amending Minnesota Statutes 1990, section 179.12; 179A.07, by adding a subdivision; and 179A.13, subdivision 2.

Reported the same back with the following amendments:

Pages 1 and 2, delete section 1 and insert:

“Section 1. Minnesota Statutes 1991 Supplement, section 179.12, is amended to read:

179.12 [EMPLOYERS' UNFAIR LABOR PRACTICES.]

It is an unfair labor practice for an employer:

(1) To institute a lockout of its employees in violation of a valid collective bargaining agreement between the employer and its employees or labor organization if the employees at the time are in good faith complying with the provisions of the agreement, or to violate the terms and conditions of the bargaining agreement;

(2) To institute a lockout of its employees in violation of section 179.06 or 179.07;

(3) To encourage or discourage membership in a labor organization by discrimination in regard to hire or tenure of employment or any terms or conditions of employment; provided, that this clause does not apply to the provisions of collective bargaining agreements entered into voluntarily by an employer and its employees or a labor organization representing the employees as a bargaining agent, as provided by section 179.16;

(3a) To refuse to provide a representative of a labor organization with an equal amount of time to meet with employees during working hours to respond to information presented by the employer in meetings during working hours, if the information is intended to discourage employees from voting for certification of the labor

organization as their exclusive representative in collective bargaining with the employer;

(4) To discharge or otherwise to discriminate against an employee because the employee has signed or filed an affidavit, petition, or complaint or given information or testimony under this chapter;

(5) To spy directly or through agents or any other persons upon activities of employees or their representatives in the exercise of their legal rights;

(6) To distribute or circulate a blacklist of individuals exercising a legal right or of members of a labor organization for the purpose of preventing individuals who are blacklisted from obtaining or retaining employment;

(7) To engage or contract for the services of a person who is an employee of another if the employee is paid a wage that is less than the wage to be paid by the engaging or contracting employer under an existing union contract for work of the same grade or classification;

(8) Willfully and knowingly to utilize a professional strikebreaker to replace an employee or employees involved in a strike or lockout at a place of business located within this state;

(9) To grant or offer to grant the status of permanent replacement employee to a person for performing bargaining unit work for an employer during a lockout of employees in a labor organization or during a strike of employees in a labor organization authorized by a representative of employees;

(10) The violation of clauses (2), (4), (5), (6), (7), (8), and (9) are unlawful acts."

Pages 3 and 4, delete section 3, and insert:

"Sec. 3. Minnesota Statutes 1991 Supplement, section 179A.13, subdivision 2, is amended to read:

Subd. 2. [EMPLOYERS.] Public employers, their agents and representatives are prohibited from:

(1) interfering, restraining, or coercing employees in the exercise of the rights guaranteed in sections 179A.01 to 179A.25;

(2) dominating or interfering with the formation, existence, or administration of any employee organization or contributing other support to it;

(3) discriminating in regard to hire or tenure to encourage or discourage membership in an employee organization;

(4) discharging or otherwise discriminating against an employee because the employee has signed or filed an affidavit, petition, or complaint or given information or testimony under sections 179A.01 to 179A.25;

(5) refusing to meet and negotiate in good faith with the exclusive representative of its employees in an appropriate unit;

(6) refusing to comply with grievance procedures contained in an agreement;

(7) distributing or circulating a blacklist of individuals exercising a legal right or of members of a labor organization for the purpose of preventing blacklisted individuals from obtaining or retaining employment;

(8) violating rules established by the commissioner regulating the conduct of representation elections;

(9) refusing to comply with a valid decision of a binding arbitration panel or arbitrator;

(10) violating or refusing to comply with any lawful order or decision issued by the commissioner or the board;

(11) refusing to provide, upon the request of the exclusive representative, all information pertaining to the public employer's budget both present and proposed, revenues, and other financing information provided that in the executive branch of state government this clause may not be considered contrary to the budgetary requirements of sections 16A.10 and 16A.11; or

(12) granting or offering to grant the status of permanent replacement employee to a person for performing bargaining unit work for the employer during a lockout of employees in an employee organization or during a strike authorized by an employee organization that is an exclusive representative; or

(13) refusing to provide a representative of a labor organization an equal amount of time to meet with employees during working hours to respond to information presented by the employer in meetings during working hours, if the information is intended to discourage employees from voting for certification of the labor organization as their exclusive representative in collective bargaining with the employer."

Amend the title as follows:

Page 1, line 6, delete "179.12;" and before "and" insert "Minnesota Statutes 1991 Supplement, sections 179.12;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Skoglund from the Committee on Financial Institutions and Insurance to which was referred:

H. F. No. 1681, A bill for an act relating to commerce; regulating service of process on certain corporations; carrying out the intent of the legislature to make uniform the statutory service of process provisions under the jurisdiction of the department of commerce; regulating insurance agent licensing and education; regulating conversion privileges on accident and health policies; modifying coverage for diagnostic procedures for cancer; regulating crop hail adjusters; making various technical changes; amending Minnesota Statutes 1990, sections 48.185, subdivision 7; 60A.17, subdivision 1a; 60A.1701, subdivisions 3 and 7; 60A.19, subdivision 4; 60A.21, subdivision 2; 60D.02, subdivision 8; 62A.21, subdivision 2b; 62A.30, subdivision 1; 62A.54; 62E.16; 64B.35, subdivision 2; 71A.02, subdivision 3; 72A.22, subdivision 5; 72A.37, subdivision 2; 72A.43, subdivision 2; 72B.02, by adding a subdivision; 72B.03, subdivision 2; 72B.04, subdivision 6; 80A.27, subdivisions 7 and 8; 80C.20; 82.31, subdivision 3; 82A.22, subdivisions 1 and 2; 82B.15, subdivision 3; 83.39, subdivisions 1 and 2; and 543.08; repealing Minnesota Statutes 1990, section 65B.70.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

#### "ARTICLE 1

Section 1. Minnesota Statutes 1990, section 45.012, is amended to read:

45.012 [COMMISSIONER.]

(a) The department of commerce is under the supervision and control of the commissioner of commerce. The commissioner is appointed by the governor in the manner provided by section 15.06.

(b) Data that is received by the commissioner or the commission-

er's designee by virtue of membership or participation in an association, group, or organization that is not otherwise subject to chapter 13 is confidential or protected nonpublic but may be shared with the department employees as the commissioner considers appropriate. The commissioner may release the data to any person, agency, or the public if the commissioner determines that the access will aid the law enforcement process, promote public health or safety, or dispel widespread rumor or unrest.

Sec. 2. Minnesota Statutes 1991 Supplement, section 45.027, subdivision 1, is amended to read:

Subdivision 1. [GENERAL POWERS.] In connection with the administration of chapters 45 to 83, 309, and 332, and sections 326.83 to 326.98, the commissioner of commerce may:

(1) make public or private investigations within or without this state as the commissioner considers necessary to determine whether any person has violated or is about to violate chapters 45 to 83, 309, and 332, sections 326.83 to 326.98, or any rule adopted or order issued under those chapters, or to aid in the enforcement of chapters 45 to 83, 309, and 332, sections 326.83 to 326.98, or in the prescribing of rules or forms under those chapters;

(2) require or permit any person to file a statement in writing, under oath or otherwise as the commissioner determines, as to all the facts and circumstances concerning the matter being investigated;

(3) hold hearings, upon reasonable notice, in respect to any matter arising out of the administration of chapters 45 to 83, 309, and 332, and sections 326.83 to 326.98;

(4) conduct investigations and hold hearings for the purpose of compiling information with a view to recommending changes in chapters 45 to 83, 309, and 332, and sections 326.83 to 326.98, to the legislature;

(5) examine the books, accounts, records, and files of every licensee under chapters 45 to 83, 309, and 332, and sections 326.83 to 326.98, and of every person who is engaged in any activity regulated under chapters 45 to 83, 309, and 332, and sections 326.83 to 326.98; the commissioner or a designated representative shall have free access during normal business hours to the offices and places of business of the person, and to all books, accounts, papers, records, files, safes, and vaults maintained in the place of business;

(6) publish information which is contained in any order issued by the commissioner; and



(7) require any person subject to chapters 45 to 83, 309, and 332, and sections 326.83 to 326.98, to report all sales or transactions that are regulated under chapters 45 to 83, 309, and 332, and sections 326.83 to 326.98. The reports must be made within ten days after the commissioner has ordered the report. The report is accessible only to the respondent and other governmental agencies unless otherwise ordered by a court of competent jurisdiction.

Sec. 3. Minnesota Statutes 1990, section 45.027, is amended by adding a subdivision to read:

Subd. 1a. [RESPONSE TO DEPARTMENT REQUESTS.] An applicant, registrant, certificate holder, licensee, or other person subject to the jurisdiction of the commissioner shall comply with requests for information, documents, or other requests from the department within the time specified in the request, or, if no time is specified, within 30 days of the mailing of the request by the department. Applicants, registrants, certificate holders, licensees, or other persons subject to the jurisdiction of the commissioner shall appear before the commissioner or the commissioner's representative when requested to do so and shall bring all documents or materials that the commissioner or the commissioner's representative has requested.

Sec. 4. Minnesota Statutes 1991 Supplement, section 45.027, subdivision 2, is amended to read:

Subd. 2. [POWER TO COMPEL PRODUCTION OF EVIDENCE.] For the purpose of any investigation, hearing, or proceeding, or inquiry under chapters 45 to 83, 309, and 332, and sections 326.83 to 326.98, the commissioner or a designated representative may administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, and require the production of books, papers, correspondence, memoranda, agreements, or other documents or records that the commissioner considers relevant or material to the inquiry.

Sec. 5. Minnesota Statutes 1991 Supplement, section 45.027, subdivision 5, is amended to read:

Subd. 5. [LEGAL ACTIONS; INJUNCTIONS; CEASE AND DESIST ORDERS.] Whenever it appears to the commissioner that any person has engaged or is about to engage in any act or practice constituting a violation of chapters 45 to 83, 309, and 332, sections 326.83 to 326.98, or any rule or order adopted or order issued under those chapters, the commissioner has the following powers: (1) the commissioner may bring an action in the name of the state in the district court of the appropriate county to enjoin the acts or practices and to enforce compliance with chapters 45 to 83, 309, and 332, sections 326.83 to 326.98, or any rule or order adopted or issued under those chapters, or the commissioner may refer the matter to

the attorney general or the county attorney of the appropriate county. Upon a proper showing, a permanent or temporary injunction, restraining order, or other appropriate relief must be granted; (2) the commissioner may issue and cause to be served upon the person an order requiring the person to cease and desist from violations of chapters 45 to 83, 309, and 332, sections 326.83 to 326.98, or any rule or order adopted or issued under those chapters. The order must be calculated to give reasonable notice of the rights of the person to request a hearing and must state the reasons for the entry of the order. A hearing must be held not later than seven days after the request for the hearing is received by the commissioner, unless the person requesting the hearing and the department of commerce agree the hearing be scheduled after the seven-day period. After the hearing and within 20 days after receiving the administrative law judge's report, the commissioner shall issue a further order vacating the cease and desist order or making it permanent as the facts require. If no hearing is requested within 30 days of service of the order, the order will become final and will remain in effect until it is modified or vacated by the commissioner. Unless otherwise provided, all hearings must be conducted in accordance with chapter 14. If the person to whom a cease and desist order is issued fails to appear at the hearing after being duly notified, the person is in default, and the proceeding may be determined against that person upon consideration of the cease and desist order, the allegations of which may be considered to be true. The commissioner may adopt rules of procedure concerning all proceedings conducted under this subdivision.

Sec. 6. Minnesota Statutes 1991 Supplement, section 45.027, subdivision 6, is amended to read:

Subd. 6. [VIOLATIONS AND PENALTIES.] The commissioner may impose a civil penalty not to exceed \$2,000 per violation upon a person who violates chapters 45 to 83, 309, and 332, and sections 326.83 to 326.98, or any rule adopted or order issued under those chapters unless a different penalty is specified.

Sec. 7. Minnesota Statutes 1991 Supplement, section 45.027, subdivision 7, is amended to read:

Subd. 7. [ACTIONS AGAINST LICENSEES.] In addition to any other actions authorized by this section, the commissioner may, by order, deny, suspend, or revoke the authority or license of a person subject to chapters 45 to 83, 155A, 309, or 332, or sections 326.83 to 326.98, or censure that person if the commissioner finds that:

(1) the order is in the public interest; and

(2) the person has violated chapters 45 to 83, 155A, 309, or 332, or sections 326.83 to 326.98 or any rule adopted or order issued under those chapters.

The commissioner may make any data otherwise classified as private or confidential pursuant to this section accessible to an appropriate person or agency if the commissioner determines that the access will aid the law enforcement process, promote public health or safety, or dispel widespread rumor or unrest.

Sec. 8. Minnesota Statutes 1990, section 45.027, is amended by adding a subdivision to read:

Subd. 10. [REHABILITATION OF CRIMINAL OFFENDERS.] Chapter 364 does not apply to an applicant for a license or to a licensee where the underlying conduct on which the conviction is based would be grounds for denial, censure, suspension, or revocation of the license.

Sec. 9. Minnesota Statutes 1990, section 59A.08, subdivision 1, is amended to read:

Subdivision 1. A premium finance agreement shall:

(a) Be dated and signed by or on behalf of the insured, and the printed portion thereof shall be in at least eight point type;

(b) Contain the name and place of business of the insurance agent or insurance broker negotiating the related insurance contract, the name and residence or the place of business of the insured as specified, the name and place of business of the premium finance company to which installments or other payments are to be made, the name and address of the insurer issuing the related insurance contract, a description of the insurance contracts including the term and type of policy, the premiums for which are advanced or are to be advanced under the agreement and the amount of the premiums therefor; and

(c) Set forth the following items where applicable:

(1) The total amount of the premiums,

(2) The amount of the down payment,

(3) The balance of premiums due, the amount financed (the difference between items (1) and (2)),

(4) The amount of the finance charge,

(5) The amount of the flat service fee,

(6) The total of payments (sum of items (3), (4) and (5)).

Sec. 10. Minnesota Statutes 1990, section 59A.08, subdivision 4, is amended to read:

Subd. 4. The premium finance company or the insurance agent shall deliver to the insured and the insurer, or mail to the insured and the insurer at the address shown in the agreement, a completed copy of that agreement.

Sec. 11. Minnesota Statutes 1990, section 59A.11, subdivision 2, is amended to read:

Subd. 2. Not less than ten days' written notice shall be mailed to the insured setting forth the intent of the insurance premium finance company to cancel the insurance contract unless the default is cured prior to the date stated in the notice. The insurer and the insurance agent or insurance broker indicated on the premium finance agreement shall also be mailed ten days' notice of this action.

Sec. 12. Minnesota Statutes 1990, section 59A.11, subdivision 3, is amended to read:

Subd. 3. Pursuant to the power of attorney or other authority referred to above, the insurance premium finance company may cancel on behalf of the insured by mailing to the insurer, at the address indicated on the premium finance agreement, written notice stating when thereafter the cancellation shall be effective, and the insurance contract shall be canceled as if such notice of cancellation had been submitted by the insured personally, but without requiring the return of the insurance contract. In the event that the insurer or its agent does not provide the insurance premium finance company with a specific mailing address for the purposes of receipt of the above notice, then mailing by the insurance premium finance company to the insurer at the address which is on file and of record with the commissioner of commerce pursuant to the provisions of chapters 60A and 72A shall be considered sufficient notice under this section. The insurance premium finance company shall also mail a notice of cancellation to the insured at the insured's last known address and to the insurance agent or insurance broker indicated on the premium finance agreement.

Sec. 13. Minnesota Statutes 1990, section 59A.12, subdivision 1, is amended to read:

Subdivision 1. Whenever a financed insurance contract is canceled, within 30 days of the effective date of cancellation, the insurer, insurance agent, or insurance broker indicated on the premium finance agreement shall return whatever gross unearned premiums have been remitted to that insurer, insurance agent, or insurance broker, computed pro rata, and that are due under the insurance contract to the premium finance company for the account of the

insured or insureds. This action by the insurer, insurance agent, or insurance broker satisfies the insurer's all obligations under the insurance contract which relate to the return of the unearned premiums.

Sec. 14. Minnesota Statutes 1990, section 60A.02, is amended by adding a subdivision to read:

Subd. 1a. [ASSOCIATION OR ASSOCIATIONS.] "Association" or "associations" means an organized body of people who have some interest in common and that has at the onset a minimum of 100 persons; is organized and maintained in good faith for purposes other than that of obtaining insurance; and has a constitution and bylaws which provide that (1) the association or associations hold regular meetings not less frequently than annually to further purposes of the members, (2) except for credit unions, the association or associations collect dues or solicit contributions from members, (3) the members have voting privileges and representation on the governing board and committees, which provide the members with control of the association including the purchase and administration of insurance products offered to members, and (4) the members are not, within the first 30 days of membership, directly solicited, offered, or sold an insurance policy if the policy is available as an association benefit.

Sec. 15. Minnesota Statutes 1990, section 60A.03, subdivision 2, is amended to read:

Subd. 2. [POWERS OF COMMISSIONER.] (1) ~~[ENFORCEMENT.]~~ The commissioner shall have and exercise the power to enforce all the laws of this state relating to insurance, and shall enforce all the provisions of the laws of this state relating to insurance.

(2) ~~[DEPARTMENT OF COMMERCE.]~~ The commissioner shall have and possess all the rights and powers and perform all the duties heretofore vested by law in the commissioner of commerce, except that applications for registrations of securities and brokers' licenses under sections 80A.01 to 80A.31, and all matters pertaining to such registrations and licenses, application for the organization and establishment of new financial institutions under sections 46.041, 46.043, and 46.044, applications by insuring companies for licenses to carry on business within the state, and all matters pertaining to such licenses, and applications for the consolidation of insuring companies transacting business within the state, shall be determined by the commissioner in the manner provided by the laws defining the powers and duties of the commissioner of commerce, and the state securities commission, respectively, or, in the absence of any law prescribing the procedure, by such any reasonable procedure as the commission, as defined in chapter 45, may prescribe commissioner prescribes.

Sec. 16. Minnesota Statutes 1990, section 60A.07, subdivision 10, is amended to read:

Subd. 10. [SPECIAL PROVISIONS AS TO LIFE COMPANIES.]  
(1) [PREREQUISITES OF LIFE COMPANIES.] No mutual life company shall be qualified to issue any policy until applications for at least \$200,000 of insurance, upon lives of at least 200 separate residents, have been actually and in good faith made, accepted, and entered upon its books and at least one full annual premium thereunder, based upon the authorized table of mortality, received in cash or in absolutely payable and collectible notes. A duplicate receipt for each premium, conditioned for the return thereof unless the policy be issued within one year thereafter, shall be issued, and one copy delivered to the applicant and the other filed with the commissioner, together with the certificate of a solvent authorized bank in the state, of the deposit therein of such cash and notes, aggregating the amount aforesaid, specifying the maker, payee, date, maturity, and amount of each. Such cash and notes shall be held by it not longer than one year, and at or before the expiration thereof to be by it paid or delivered, upon the written order of the commissioner, to such company or applicants, respectively.

(2) [FOREIGN COMPANIES MAY BECOME DOMESTIC.] Any company organized under the laws of any other state or country, which might have been originally incorporated under the laws of this state, and which has been admitted to do business therein for either or both the purpose of life or accident insurance, upon complying with all the requirements of law relative to the execution, filing, recording and publishing of original certificates and payment of incorporation fees by like domestic corporations, therein designating its principal place of business at a place in this state, may become a domestic corporation, and be entitled to like certificates of its corporate existence and license to transact business in this state, and be subject in all respects to the authority and jurisdiction thereof.

(3) [TEMPORARY CAPITAL STOCK OF MUTUAL LIFE COMPANIES.] A new mutual life insurance company which has complied with the provisions of clause (1) or an existing mutual life insurance company may establish, a temporary capital of, such amount not less than \$100,000, as may be approved by the commissioner. Such temporary capital shall be invested by the company in the same manner as is provided for the investment of its other funds. Out of the net surplus of the company the holders of the temporary capital stock may receive a dividend of not more than eight percent per annum, which may be cumulative. This capital stock shall not be a liability of the company ~~except that it~~ but shall be retired as soon as, but not before, the surplus of the company remaining after its retirement shall be not less than the temporary capital so established within a reasonable time and according to terms approved by the commissioner. At the time for the retirement of this capital

stock, the holders shall be entitled to receive from the company the par value thereof and any dividends thereon due and unpaid, and thereupon the stock shall be surrendered and canceled, ~~and the right to vote thereon shall cease.~~ In the event of the liquidation of the company, the holders of temporary capital stock shall have the same preference in the assets of the company as shareholders have in a stock insurance company.

Temporary capital stock may be issued with or without voting rights. If issued with voting rights, the holders shall, at all meetings, be entitled to one vote for each \$10 of temporary capital stock held.

Sec. 17. Minnesota Statutes 1990, section 60A.12, subdivision 4, is amended to read:

Subd. 4. [UNEARNED PREMIUMS RESERVE.] (1) [FOR COMPANIES OTHER THAN LIFE OR TITLE.] To determine the policy liability of any company other than life or title insurance, and the amount the company shall hold as reserve, the commissioner shall take 50 percent of the aggregate premiums, on policies running one year or less from date of policy, and a pro rata rate amount on policies running more than one year from date of policy, except upon inland and marine risks, which the commissioner shall compute by charging 50 percent of the amount of premium written in its policies upon yearly risks and upon risks covering more than one passage not terminated, and the full amount of premiums written in policies upon all other inland and marine risks not terminated. In case of any fire and marine company with less than \$200,000 capital admitted to transact in this state fire business only, the full amount of premiums written in its marine and inland navigation and transportation policies shall be charged as liability.

(2) [SPECIAL PROVISIONS FOR MUTUAL FIRE COMPANIES WITH A CONTINGENT LIABILITY.] In case of a mutual fire insurance company with a policyholders' contingent liability fixed by its bylaws and in its policies as provided by law, to determine the amount of this reinsurance reserve, the commissioner shall take 25 percent of the aggregate premiums running one year or less from date of policy, and 50 percent of the pro rata amount on policies running more than one year from date of policy.

(3) [CASUALTY COMPANIES WRITING LIABILITY OR WORKERS' COMPENSATION.] In case of a casualty insurance company writing insurance against loss or damage resulting from accident to or injuries suffered by an employee or other person and for which the insured is liable, and under insurance against loss from liability on account of the death of or injury to an employee not caused by the negligence of an employer, the commissioner shall charge as a liability, in addition to the capital stock and all other outstanding indebtedness of the corporation:

The premium reserve on policies in force, equal to 50 percent of the gross premiums charged for covering the risks; provided, that the commissioner may charge a premium reserve equal to the unearned portions of the gross premiums charged, computed on each respective risk from the date of the issuance of the policy. Notwithstanding any other provision of this subdivision, an unearned premium reserve shall be required based only on the timing and the amount of the recorded written premium.

(4) [PROVISION FOR ANNUAL PAYMENT TERM POLICIES.] A policy for a term of years on which the premium is payable annually shall be considered a policy for one year.

Sec. 18. Minnesota Statutes 1991 Supplement, section 60A.13, subdivision 3a, is amended to read:

Subd. 3a. [ANNUAL AUDIT.] Every insurance company doing business in this state, including fraternal ~~beneficiary associations~~ ~~benefit societies~~, reciprocal exchanges, service plan corporations licensed pursuant to chapter 62C, and legal service plans licensed pursuant to chapter 62G, unless exempted by the commissioner pursuant to subdivision 4a or by subdivision 7 shall have an annual audit of the financial activities of the most recently completed fiscal year performed by an independent certified public accountant as prescribed by the commissioner, and shall file the report of this audit with the commissioner not more than six months following the close of the company's fiscal year. ~~Any insurer required by this subdivision to file an annual audit which does not currently have its financial statement audited shall file its first audit with the commissioner not later than June 30, 1983. All other insurers shall file their annual audits beginning June 30, 1982.~~

Sec. 19. Minnesota Statutes 1990, section 60A.1701, subdivision 3, is amended to read:

Subd. 3. [EXEMPTIONS.] This section does not apply to:

(a) persons soliciting or selling solely on behalf of companies organized and operating according to chapter 67A; or

(b) persons holding life and health, or property and casualty licenses who, by February 28 of each year at the time of license renewal, certify to the commissioner in writing that they will sell only credit life, credit health, and credit property insurance, during that year and do in fact so limit their sale of insurance.

Sec. 20. Minnesota Statutes 1990, section 60A.1701, subdivision 7, is amended to read:

Subd. 7. [CRITERIA FOR COURSE ACCREDITATION.] (a) The



commissioner may accredit a course only to the extent it is designed to impart substantive and procedural knowledge of the insurance field. The burden of demonstrating that the course satisfies this requirement is on the individual or organization seeking accreditation. The commissioner shall approve any educational program approved by Minnesota Continuing Legal Education relating to the insurance field.

(b) The commissioner shall approve or disapprove professional designation examinations that are recommended for approval by the advisory task force. In order for an agent to receive full continuing education credit for a professional designation examination, the agent must pass the examination. An agent may not receive credit for classroom instruction preparing for the professional designation examination and also receive continuing education credit for passing the professional designation examination.

(c) The commissioner may not accredit a course:

- (1) that is designed to prepare students for a license examination;
- (2) in mechanical office or business skills, including typing, speedreading, use of calculators, or other machines or equipment;
- (3) in sales promotion, including meetings held in conjunction with the general business of the licensed agent;
- (4) in motivation, the art of selling, psychology, or time management;
- (5) ~~unless the student attends classroom instruction conducted by an instructor approved by the department of commerce; or~~
- (6) (5) which can be completed by the student at home or outside the classroom without the supervision of an instructor approved by the department of commerce, except that home-study courses may be accredited by the commissioner if the student is a nonresident agent residing in a state which is not contiguous to Minnesota.

Sec. 21. Minnesota Statutes 1990, section 60A.201, subdivision 1, is amended to read:

Subdivision 1. [RESTRICTIONS.] Insurance shall not be placed by the surplus lines licensee with an eligible or ineligible surplus lines insurer when coverage is available from a licensed insurer.

In no case may insurance that is required by state law be placed with anyone other than an admitted insurer.

Sec. 22. Minnesota Statutes 1990, section 60A.201, subdivision 4, is amended to read:

Subd. 4. [LISTS OF UNAVAILABLE LINES OF INSURANCE; MAINTENANCE.] The commissioner shall maintain on a current basis a list of those lines of insurance for which coverages are believed by the commissioner to be generally unavailable from licensed insurers. The commissioner shall republish a list and make it available to all licensees ~~the list every six months at least~~ annually. Any person may request in writing that the commissioner add or remove coverage from the current list at the next publication of the list. The commissioner's determinations of coverages to be added to or removed from the list shall not be subject to the administrative procedure act but prior to making determinations the commissioner shall provide opportunity for comment from interested parties.

Sec. 23. Minnesota Statutes 1990, section 60A.203, is amended to read:

**60A.203 [LICENSEES TO FILE EVIDENCE OF TRANSACTIONS FILING REQUIREMENTS.]**

Each surplus lines licensee shall keep a separate account of each transaction entered into pursuant to sections 60A.195 to 60A.209. Evidence of these transactions shall be filed with the commissioner documented in the form, and manner, and time designated by the commissioner or if designated by the commissioner, with an association and retained by the licensee for a minimum of five years. The forms must be readily available for review and audit by the commissioner.

Sec. 24. Minnesota Statutes 1990, section 60A.206, subdivision 3, is amended to read:

Subd. 3. [STANDARDS TO BE MET BY INSURERS.] (a) The commissioner shall recognize the insurer as an eligible surplus lines insurer when satisfied that the insurer is in a stable, unimpaired financial condition and that the insurer is qualified to provide coverage in compliance with sections 60A.195 to 60A.209. If filed with full supporting documentation before July 1 of any year, applications submitted under subdivision 2 shall be acted upon by the commissioner before December 31 of the year of submission.

(b) The commissioner shall not authorize an insurer as an eligible surplus lines insurer unless the insurer continuously maintains capital and surplus of at least \$3,000,000 and transaction of business by the insurer is not hazardous, financially or otherwise, to its policyholders, its creditors, or the public. Each alien surplus lines insurer shall have current financial data filed with the National

Association of Insurance Commissioners Nonadmitted Insurers Information Office.

(c) Eligible surplus lines insurers domiciled within the United States shall file an annual statement and an annual financial audit, under the terms and conditions of section 60A.13, subdivisions 1, 3a, and 6, and are subject to the penalties of section 72A.061 in regard to those requirements. The commissioner also has the powers provided in section 60A.13, subdivision 2, in regard to eligible surplus lines insurers.

(d) Eligible surplus lines insurers domiciled outside the United States shall file an annual statement on the standard nonadmitted insurers information office financial reporting format as prescribed by the National Association of Insurance Commissioners and an annual financial audit performed by an independent accounting firm.

Sec. 25. Minnesota Statutes 1990, section 60B.03, is amended by adding a subdivision to read:

Subd. 20. [AFFILIATE OR AFFILIATED.] An "affiliate" of, or a person "affiliated" with, a specific person, is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified.

Sec. 26. Minnesota Statutes 1990, section 60B.15, is amended to read:

60B.15 [GROUNDS FOR REHABILITATION.]

The commissioner may apply by verified petition to the district court for Ramsey county or for the county in which the principal office of the insurer is located for an order directing the commissioner to rehabilitate a domestic insurer or an alien insurer domiciled in this state on any one or more of the following grounds:

(1) Any ground on which the commissioner may apply for an order of liquidation under section 60B.20, whenever the commissioner believes that the insurer may be successfully rehabilitated without substantial increase in the risk of loss to creditors of the insurer, its policyholders or to the public;

(2) That the commissioner has reasonable cause to believe that there has been theft from the insurer, wrongful sequestration or diversion of the insurer's assets, forgery or fraud affecting the insurer or other illegal conduct in, by or with respect to the insurer, which endanger assets in an amount threatening insolvency of the insurer;

(3) That substantial and unexplained discrepancies exist between the insurer's records and the most recent annual report or other official company reports;

(4) That the insurer, after written demand by the commissioner, has failed to remove any person who in fact has executive authority in the insurer, whether an officer, manager, general agent, employee, or other person, if the person has been found by the commissioner after notice and hearing to be dishonest or untrustworthy in a way affecting the insurer's business such as is the basis for action under section 60A.051;

(5) That control of the insurer, whether by stock ownership or otherwise, and whether direct or indirect, is in one or more persons found by the commissioner after notice and hearing to be dishonest or untrustworthy such as is the basis for action under section 60A.051;

(6) That the insurer, after written demand by the commissioner, has failed within a reasonable period of time to terminate the employment and status and all influences on management of any person who in fact has executive authority in the insurer, whether an officer, manager, general agent, employee or other person if the person has refused to submit to lawful examination under oath by the commissioner concerning the affairs of the insurer, whether in this state or elsewhere;

(7) That after lawful written demand by the commissioner the insurer has failed to submit promptly any of its own property, books, accounts, documents, or other records, or those of any subsidiary or related company within the control of the insurer, or those of any person having executive authority in the insurer so far as they pertain to the insurer, to reasonable inspection or examination by the commissioner or an authorized representative. If the insurer is unable to submit the property, books, accounts, documents, or other records of a person having executive authority in the insurer, it shall be excused from doing so if it promptly and effectively terminates the relationship of the person to the insurer;

(8) That without first obtaining the written consent of the commissioner, or if required by law, the written consent of the attorney general, the insurer has transferred, or attempted to transfer, substantially its entire property or business, or has entered into any transaction the effect of which is to merge, consolidate, or reinsure substantially its entire property or business of any other person;

(9) That the insurer or its property has been or is the subject of an application for the appointment of a receiver, trustee, custodian, conservator or sequestrator or similar fiduciary of the insurer or its property otherwise than as authorized under sections 60B.01 to 60B.61, and that such appointment has been made or is imminent,

and that such appointment might divest the courts of this state of jurisdiction or prejudice orderly delinquency proceedings under sections 60B.01 to 60B.61;

(10) That within the previous year the insurer has willfully violated its charter or articles of incorporation or its bylaws or any applicable insurance law or regulation of any state, or of the federal government, or any valid order of the commissioner under section 60B.11 in any manner or as to any matter which threatens substantial injury to the insurer, its creditors, its policyholders or the public, or having become aware within the previous year of an unintentional or willful violation has failed to take all reasonable steps to remedy the situation resulting from the violation and to prevent the same violations in the future;

(11) That the directors of the insurer are deadlocked in the management of the insurer's affairs and that the members or shareholders are unable to break the deadlock and that irreparable injury to the insurer, its creditors, its policyholders, or the public is threatened by reason thereof;

(12) That the insurer has failed to pay for 60 days after due date any obligation to this state or any political subdivision thereof or any judgment entered in this state, except that such nonpayment shall not be a ground until 60 days after any good faith effort by the insurer to contest the obligation or judgment has been terminated, whether it is before the commissioner or in the courts;

(13) That the insurer has failed to file its annual report or other report within the time allowed by law, and after written demand by the commissioner has failed to give an adequate explanation immediately;

(14) That two-thirds of the board of directors, or the holders of a majority of the shares entitled to vote, or a majority of members or policyholders of an insurer subject to control by its members or policyholders, consent to rehabilitation under sections 60B.01 to 60B.61;

(15) That the insurer is engaging in a systematic practice of reaching settlements with and obtaining releases from policyholders or third party claimants and then unreasonably delaying payment of or failing to pay the agreed upon settlements;

(16) That the insurer is in such condition that the further transaction of business would be hazardous, financially or otherwise, to its policyholders, its creditors, or the public;

(17) That within the previous 12 months the insurer has system-

atically attempted to compromise with its creditors on the ground that it is financially unable to pay its claims in full;

(18) In the context of a health maintenance organization, "insurer" when used in clauses (1) to (17) means "health maintenance organization." In addition to the grounds in clauses (1) to (17), any one of the following constitutes grounds for rehabilitation of a health maintenance organization:

(a) the health maintenance organization is unable or is expected to be unable to meet its debts as they become due;

(b) grounds exist under section 62D.042, subdivision 7;

(c) the health maintenance organization's liabilities exceed the current value of its assets, exclusive of intangibles and, where the guaranteeing organization's financial condition no longer meets the requirements of sections 62D.041 and 62D.042, exclusive of any deposits, letters of credit, or guarantees provided by any guaranteeing organization under chapter 62D;

(d) in addition to grounds under clause (16), within the last year the health maintenance organization has failed, and the commissioner of health expects such failure to continue in the future, to make comprehensive medical care adequately available and accessible to its enrollees and the health maintenance organization has not successfully implemented a plan of corrective action pursuant to section 62D.121, subdivision 7; and

(e) in addition to grounds under clause (16), within the last year the directors or officers of the health maintenance organization willfully violated the requirements of section 317A.251, or having become aware within the previous year of an unintentional or willful violation of section 317A.251, have failed to take all reasonable steps to remedy the situation resulting from the violation and to prevent the same violation in the future;

(19) An affiliate of the insurer has been placed in conservatorship, rehabilitation, liquidation, or other court supervision such that the insurer's financial condition may be jeopardized.

Sec. 27. Minnesota Statutes 1990, section 60B.17, subdivision 1, is amended to read:

Subdivision 1. [SPECIAL DEPUTY COMMISSIONER.] The commissioner as rehabilitator shall ~~make every reasonable effort to employ an active or retired senior executive from a successful insurer to serve as~~ employ a special deputy commissioner to rehabilitate the insurer. The special deputy shall have all of the powers of the rehabilitator granted under this section. ~~To obtain a suitable~~

~~special deputy, the commissioner may consult with and obtain the assistance and advice of executives of insurers doing business in this state. Subject to court approval, the commissioner shall make such arrangements for compensation as are necessary to obtain a special deputy of proven ability. The special deputy shall serve at the pleasure of the commissioner.~~

Sec. 28. Minnesota Statutes 1991 Supplement, section 60D.15, subdivision 4, is amended to read:

Subd. 4. [CONTROL.] The term "control," including the terms "controlling," "controlled by," and "under common control with," means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract other than a commercial contract for goods or nonmanagement services, or otherwise, unless the power is the result of an official position with ~~or~~ corporate office held by, or court appointment of, the person. Control is presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing, ten percent or more of the voting securities of any other person. This presumption may be rebutted by a showing made in the manner provided by section 60D.19, subdivision 11, that control does not exist in fact. The commissioner may determine, after furnishing all persons in interest notice and opportunity to be heard and making specific findings of fact to support such determination, that control exists in fact, notwithstanding the absence of a presumption to that effect.

Sec. 29. Minnesota Statutes 1991 Supplement, section 60D.17, subdivision 4, is amended to read:

Subd. 4. [APPROVAL BY COMMISSIONER; HEARINGS.] (a) The commissioner shall approve any merger or other acquisition of control referred to in subdivision 1 unless, after a public hearing, the commissioner finds that:

(1) After the change of control, the domestic insurer referred to in subdivision 1 would not be able to satisfy the requirements for the issuance of a license to write the line or lines of insurance for which it is presently licensed unless the domestic insurer is in rehabilitation or other court-ordered supervision and the acquiring party commits to a plan that would enable the domestic insurer to satisfy the requirements for the issuance of a license within a reasonable amount of time;

(2) The effect of the merger or other acquisition of control would be substantially to lessen competition in insurance in this state or tend to create a monopoly therein in applying the competitive standard in this subdivision:

(i) the informational requirements of section 60D.18, subdivision 3, paragraph (b), and the standards of section 60D.18, subdivision 4, paragraph (c), shall apply;

(ii) the merger or other acquisition shall not be disapproved if the commissioner finds that any of the situations meeting the criteria provided by section 60D.18, subdivision 4, paragraph (c), exist; and

(iii) the commissioner may condition the approval of the merger or other acquisition on the removal of the basis of disapproval within a specified period of time;

(3) The financial condition of any acquiring party is such as might jeopardize the financial stability of the insurer, or prejudice the interest of its policyholders;

(4) The plans or proposals that the acquiring party has to liquidate the insurer, sell its assets, or consolidate or merge it with any person, or to make any other material change in its business or corporate structure or management, are unfair and unreasonable to policyholders of the insurer and not in the public interest;

(5) The competence, experience, and integrity of those persons who would control the operation of the insurer are such that it would not be in the interest of policyholders of the insurer and of the public to permit the merger or other acquisition of control; or

(6) The acquisition is likely to be hazardous or prejudicial to the insurance buying public.

(b) The public hearing referred to in paragraph (a) must be held 30 days after the statement required by subdivision 1 is filed, and at least 20 days notice of it shall be given by the commissioner to the person filing the statement. Not less than seven days notice of the public hearing shall be given by the person filing the statement to the insurer and to other persons designated by the commissioner. The commissioner shall make a determination within 30 days after the conclusion of the hearing. At the hearing, the person filing the statement, the insurer, any person to whom notice of hearing was sent, and any other person whose interest may be affected by it may present evidence, examine and cross-examine witnesses, and offer oral and written arguments and may conduct discovery proceedings in the same manner as is presently allowed in the district courts of this state. All discovery proceedings must be concluded not later than three days before the start of the public hearing.

(c) The commissioner may retain at the acquiring person's expense any attorneys, actuaries, accountants, and other experts not otherwise a part of the commissioner's staff as may be reasonably



necessary to assist the commissioner in reviewing the proposed acquisition of control.

Sec. 30. Minnesota Statutes 1990, section 62A.10, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENTS.] Group accident and health insurance is hereby declared to be that form of accident and health insurance covering not less than two employees nor less than ten members, and which may include the employee's or member's dependents, consisting of husband, wife, children, and actual dependents residing in the household, written under a master policy issued to any governmental corporation, unit, agency, or department thereof, or to any corporation, copartnership, individual, employer, or to any association ~~having a constitution or bylaws and formed in good faith for purposes other than that of obtaining insurance under the provisions of this chapter as defined by section 60A.02, subdivision 1a,~~ where officers, members, employees, or classes or divisions thereof, may be insured for their individual benefit.

Any insurer authorized to write accident and health insurance in this state shall have power to issue group accident and health policies.

Sec. 31. Minnesota Statutes 1990, section 62A.21, subdivision 2b, is amended to read:

Subd. 2b. [CONVERSION PRIVILEGE.] Every policy described in subdivision 1 shall contain a provision allowing a former spouse and dependent children of an insured, without providing evidence of insurability, to obtain from the insurer at the expiration of any continuation of coverage required under subdivision 2a or sections 62A.146 and 62A.20, conversion coverage providing at least the minimum benefits of a qualified plan as prescribed by section 62E.06 and the option of a number three qualified plan, a number two qualified plan, a number one qualified plan as provided by section 62E.06, subdivisions 1 to 3, provided application is made to the insurer within 30 days following notice of the expiration of the continued coverage and upon payment of the appropriate premium. ~~A policy providing reduced benefits at a reduced premium rate may be accepted by the former spouse and dependent children in lieu of the optional coverage otherwise required by this subdivision. The individual policy shall be renewable at the option of the former spouse covered person as long as the former spouse covered person is not covered under another qualified plan as defined in section 62E.02, subdivision 4. Any revisions in the table of rate for the individual policy shall apply to the former spouse's covered person's original age at entry and shall apply equally to all similar policies issued by the insurer.~~

A policy providing reduced benefits at a reduced premium rate

may be accepted by the covered person in lieu of the optional coverage otherwise required by this subdivision.

Sec. 32. Minnesota Statutes 1990, section 62A.30, subdivision 1, is amended to read:

Subdivision 1. [SCOPE OF COVERAGE.] This section applies to all policies of accident and health insurance, health maintenance contracts regulated under chapter 62D, health benefit certificates offered through a fraternal beneficiary association regulated under chapter 64B, and ~~group~~ subscriber contracts offered by nonprofit health service plan corporations regulated under chapter 62C, but does not apply to policies designed primarily to provide coverage payable on a per diem, fixed indemnity or nonexpense incurred basis, or policies that provide only accident coverage.

Sec. 33. Minnesota Statutes 1990, section 62A.54, is amended to read:

#### 62A.54 [PROHIBITED PRACTICES.]

Unless otherwise provided for in ~~Laws 1986, chapter 397,~~ sections 2 to 8 62A.46 to 62A.56, the solicitation or sale of long-term care policies is subject to the requirements and penalties applicable to the sale of Medicare supplement insurance policies as set forth in sections 62A.31 to 62A.44.

It is misconduct for any agent or company to make any misstatements concerning eligibility or coverage under the medical assistance program, or about how long-term care costs will or will not be financed if a person does not have long-term care insurance. Any agent or company providing information on the medical assistance program shall also provide information about how to contact the county human services department or the state department of human services.

Sec. 34. Minnesota Statutes 1990, section 62E.02, subdivision 23, is amended to read:

Subd. 23. "Contributing member" means those companies ~~operating pursuant to~~ regulated under chapter 62A and offering, selling, issuing, or renewing policies or contracts of accident and health insurance ~~or~~ health maintenance organizations ~~and~~ regulated under chapter 62D, nonprofit health service plan corporations ~~incorporated~~ regulated under chapter 62C ~~or~~ fraternal benefit society ~~operating societies~~ regulated under chapter 64B, and joint self-insurance plans regulated under chapter 62H. For the purposes of determining liability of contributing members pursuant to section 62E.11 payments received from or on behalf of Minnesota residents

for coverage by a health maintenance organization shall be considered to be accident and health insurance premiums.

Sec. 35. Minnesota Statutes 1990, section 62E.11, subdivision 9, is amended to read:

Subd. 9. Each contributing member that terminates individual health coverage ~~regulated under chapter 62A, 62C, 62D, or 64B~~ for reasons other than (a) nonpayment of premium; (b) failure to make copayments; (c) enrollee moving out of the area served; or (d) a materially false statement or misrepresentation by the enrollee in the application for membership; and does not provide or arrange for replacement coverage that meets the requirements of section 62D.121; shall pay a special assessment to the state plan based upon the number of terminated individuals who join the comprehensive health insurance plan as authorized under section 62E.14, subdivisions 1, paragraph (d), and 6. Such a contributing member shall pay the association an amount equal to the average cost of an enrollee in the state plan in the year in which the member terminated enrollees multiplied by the total number of terminated enrollees who enroll in the state plan.

The average cost of an enrollee in the state comprehensive health insurance plan shall be determined by dividing the state plan's total annual losses by the total number of enrollees from that year. This cost will be assessed to the contributing member who has terminated health coverage before the association makes the annual determination of each contributing member's liability as required under this section.

In the event that the contributing member is terminating health coverage because of a loss of health care providers, the commissioner may review whether or not the special assessment established under this subdivision will have an adverse impact on the contributing member or its enrollees or insureds, including but not limited to causing the contributing member to fall below statutory net worth requirements. If the commissioner determines that the special assessment would have an adverse impact on the contributing member or its enrollees or insureds, the commissioner may adjust the amount of the special assessment, or establish alternative payment arrangements to the state plan. For health maintenance organizations regulated under chapter 62D, the commissioner of health shall make the determination regarding any adjustment in the special assessment and shall transmit that determination to the commissioner of commerce.

Sec. 36. Minnesota Statutes 1990, section 62E.14, is amended by adding a subdivision to read:

Subd. 7. [TERMINATIONS OF CONVERSION POLICIES.] (a) A Minnesota resident who is covered by a conversion policy or contract

of health coverage may enroll in the comprehensive health plan with a waiver of the preexisting condition limitation in subdivision 3 and a waiver of the evidence of rejection in subdivision 1, paragraph (c), at any time for any reason during the term of coverage.

(b) A Minnesota resident who was covered by a conversion policy or contract of health coverage may enroll in the comprehensive health plan with a waiver of the preexisting condition limitation in subdivision 3 and a waiver of the evidence of rejection in subdivision 1, paragraph (c), if that person applies for coverage within 90 days after termination of the conversion policy or contract coverage regardless of: (1) the reasons for the termination; or (2) the party terminating coverage.

(c) Coverage under this subdivision is effective upon termination of prior coverage if the enrollee has submitted a completed application and paid the required premium or fee.

Sec. 37. Minnesota Statutes 1990, section 62E.15, subdivision 4, is amended to read:

Subd. 4. Every insurer and health maintenance organization which rejects or applies underwriting restrictions to an applicant for accident and a plan of health insurance coverage shall: (1) provide the applicant with a written notice of rejection or the underwriting restrictions applied to the applicant in a manner consistent with the requirements in section 72A.499; (2) notify the applicant of the existence of the state plan, the requirements for being accepted in it, and the procedure for applying to it; and (3) provide the applicant with written materials explaining the state plan in greater detail. This written material shall be provided by the association to every insurer at no charge.

Sec. 38. Minnesota Statutes 1990, section 62E.15, is amended by adding a subdivision to read:

Subd. 5. Every insurer and health maintenance organization before issuing a conversion policy or contract of health insurance shall:

(1) notify the applicant of the existence of the state plan, the requirements for being accepted in it, the procedure for applying to it, and the plan rates; and

(2) provide the applicant with written materials explaining the state plan in greater detail. This written material shall be provided by the association to every insurer and health maintenance organization at no charge.

Sec. 39. Minnesota Statutes 1990, section 62E.15, is amended by adding a subdivision to read:

Subd. 6. Every insurer and health maintenance organization which provides health coverage to an insured through a conversion plan shall annually:

(1) notify the insured of the existence of the state plan, the requirements for being accepted in it, the procedure for applying to it, and the plan rates; and

(2) provide the applicant with written materials explaining the state plan in greater detail. This written material shall be provided by the association to every insurer and health maintenance organization at no charge.

Sec. 40. Minnesota Statutes 1990, section 62E.16, is amended to read:

**62E.16 [POLICY CONVERSION PRIVILEGES RIGHTS.]**

Every program of self-insurance, policy of group accident and health insurance or contract of coverage by a health maintenance organization written or renewed in this state, shall include, in addition to the provisions required by section 62A.17, the right to convert to an individual coverage qualified plan without the addition of underwriting restrictions if the individual insured leaves the group regardless of the reason for leaving the group or if an employer member of a group ceases to remit payment so as to terminate coverage for its employees, or upon cancellation or termination of the coverage for the group except where uninterrupted and continuous group coverage is otherwise provided to the group. If the health maintenance organization has canceled coverage for the group because of a loss of providers in a service area, the health maintenance organization shall arrange for other health maintenance or indemnity conversion options that shall be offered to enrollees without the addition of underwriting restrictions. The required conversion contract must treat pregnancy the same as any other covered illness under the conversion contract. The person may exercise this right to conversion within 30 days of leaving the group or within 30 days following receipt of due notice of cancellation or termination of coverage of the group or of the employer member of the group and upon payment of premiums from the date of termination or cancellation. Due notice of cancellation or termination of coverage for a group or of the employer member of the group shall be provided to each employee having coverage in the group by the insurer, self-insurer or health maintenance organization canceling or terminating the coverage except where reasonable evidence indicates that uninterrupted and continuous group coverage is otherwise provided to the group. Every employer having a policy of group accident and health insurance, group subscriber or contract of

coverage by a health maintenance organization shall, upon request, provide the insurer or health maintenance organization a list of the names and addresses of covered employees. Plans of health coverage shall also include a provision which, upon the death of the individual in whose name the contract was issued, permits every other individual then covered under the contract to elect, within the period specified in the contract, to continue coverage under the same or a different contract without the addition of underwriting restrictions until the individual would have ceased to have been entitled to coverage had the individual in whose name the contract was issued lived. An individual conversion contract issued by a health maintenance organization shall not be deemed to be an individual enrollment contract for the purposes of section 62D.10.

Sec. 41. Minnesota Statutes 1990, section 62H.01, is amended to read:

**62H.01 [JOINT SELF-INSURANCE EMPLOYEE HEALTH PLAN.]**

Any ~~three~~ two or more employers, excluding the state and its political subdivisions as described in section 471.617, subdivision 1, who are authorized to transact business in Minnesota may jointly self-insure employee health, dental, or short-term disability benefits. Joint plans must have a minimum of 250 covered employees and meet all conditions and terms of sections 62H.01 to 62H.08. Joint plans covering employers not resident in Minnesota must meet the requirements of sections 62H.01 to 62H.08 as if the portion of the plan covering Minnesota resident employees was treated as a separate plan. A plan may cover employees resident in other states only if the plan complies with the applicable laws of that state.

A multiple employer welfare arrangement as defined in United States Code, title 29, section 1002(40)(a), is subject to this chapter to the extent authorized by the Employee Retirement Income Security Act of 1974, United States Code, title 29, sections 1001 et seq.

**Sec. 42. [62I.121] [BENEFITS FOR EMPLOYEES.]**

At the option of the board, employees may participate in the state retirement plan and the state deferred compensation plan for employees in the unclassified service, and an insurance plan administered by the commissioner of employee relations under chapter 43A.

Sec. 43. Minnesota Statutes 1990, section 65B.133, subdivision 4, is amended to read:

Subd. 4. [NOTIFICATION OF CHANGE.] No insurer may change its surcharge plan unless a surcharge disclosure statement is mailed

or delivered to the named insured before the change is made. A surcharge disclosure statement disclosing a change applicable on the renewal of a policy, may be mailed with an offer to renew the policy. No Surcharges cannot be applied to accidents or traffic violations that occurred prior to a change in a surcharge plan may be applied retroactively except to the extent provided under the prior plan.

Sec. 44. Minnesota Statutes 1990, section 70A.11, subdivision 1, is amended to read:

Subdivision 1. [ORDER AFTER HEARING.] If the commissioner finds after a contested case proceeding under chapter 14 that a rate is not in compliance with section 70A.04, the commissioner shall order that its use is to be discontinued and shall order the excess premium plus interest at the rate specified in section 549.09 to be refunded to the policyholder. If the commissioner has not approved the rate increase, the amount of the refund, plus interest, must be computed from the commencement effective date of the contested case hearing on the rate increase. If the rate increase has previously been approved, the amount of the refund, plus interest, must be computed from the commencement of the contested case. Interest must be computed as simple interest per annum.

Sec. 45. Minnesota Statutes 1991 Supplement, section 72A.061, subdivision 1, is amended to read:

Subdivision 1. [ANNUAL STATEMENTS.] Any insurance company licensed or authorized to do business in this state, including fraternal, reciprocal, eligible surplus lines insurers, and township mutuals, which neglects to file its annual statement in the form prescribed and within the time specified by law shall be subject to a penalty of \$100 for each day in default. If, at the end of 45 days, the default has not been corrected, the company shall be given ten days in which to show cause to the commissioner why its license should not be suspended. If the company has not made the requisite showing within the ten-day period, the license and authority of the company may, at the discretion of the commissioner, be suspended during the time the company is in default.

Any insurance company, including fraternal, reciprocal, eligible surplus lines insurers, and township mutuals, willfully making a false annual or other required statement shall pay a penalty to the state not to exceed \$5,000. Either or both of the monetary penalties imposed by this subdivision may be recovered in a civil action brought by and in the name of the state.

Sec. 46. Minnesota Statutes 1991 Supplement, section 72A.201, subdivision 8, is amended to read:

Subd. 8. [STANDARDS FOR CLAIM DENIAL.] The following acts

by an insurer, adjuster, or self-insured, or self-insurance administrator constitute unfair settlement practices:

(1) denying a claim or any element of a claim on the grounds of a specific policy provision, condition, or exclusion, without informing the insured of the policy provision, condition, or exclusion on which the denial is based;

(2) denying a claim without having made a reasonable investigation of the claim;

(3) denying a liability claim because the insured has requested that the claim be denied;

(4) denying a liability claim because the insured has failed or refused to report the claim, unless an independent evaluation of available information indicates there is no liability;

(5) denying a claim without including the following information:

(i) the basis for the denial;

(ii) the name, address, and telephone number of the insurer's claim service office or the claim representative of the insurer to whom the insured or claimant may take any questions or complaints about the denial; and

(iii) the claim number and the policy number of the insured;

(6) denying a claim because the insured or claimant failed to exhibit the damaged property unless:

(i) the insurer, within a reasonable time period, made a written demand upon the insured or claimant to exhibit the property; and

(ii) the demand was reasonable under the circumstances in which it was made;

(7) denying a claim by an insured or claimant based on the evaluation of a chemical dependency claim reviewer selected by the insurer unless the reviewer meets the qualifications specified under subdivision 8a. An insurer that selects chemical dependency reviewers to conduct claim evaluations must annually file with the commissioner of commerce a report containing the specific evaluation standards and criteria used in these evaluations. The report must be filed at the same time its annual statement is submitted under section 60A.13. The report must also include the number of evaluations performed on behalf of the insurer during the reporting period, the types of evaluations performed, the results, the number of appeals of denials based on these evaluations, the results of these



appeals, and the number of complaints filed in a court of competent jurisdiction.

Sec. 47. Minnesota Statutes 1990, section 72B.02, is amended by adding a subdivision to read:

Subd. 14. [CROP HAIL ADJUSTER.] “Crop hail adjuster” means a person who for money, commission, or other thing of value acts as an adjuster in regard to insurance policies against crop damage by hail.

Sec. 48. Minnesota Statutes 1990, section 72B.03, subdivision 2, is amended to read:

Subd. 2. [CLASSES OF LICENSES.] (a) There shall be ~~three~~ four classes of licenses, as follows:

- (a) (1) independent adjuster’s license;
- (b) (2) public adjuster’s license;
- (c) (3) public adjuster solicitor’s license; and
- (4) crop hail adjuster’s license.

(b) The independent adjuster and public adjuster licenses shall be issued in at least three fields each, as follows:

- (a) (1) fire and allied lines, inland marine lines and including all perils under homeowners policies;
- (b) (2) all lines written as casualty insurance under section 60A.06, and including workers’ compensation; and

(c) (3) a combination of the fields described in (a) clauses (1) and (b) (2), above. Separate licenses shall be required for each field, but the same person may obtain licenses in more than one field. No person shall be licensed as both a public and independent adjuster. The license shall state the class for which the person is licensed and, where applicable, the field in which the person is licensed, and shall state the licensee’s name and residence address, the date of issuance and the date of expiration of the license and any other information prescribed by the commissioner which is consistent with the purpose of the license.

Sec. 49. Minnesota Statutes 1990, section 72B.04, subdivision 6, is amended to read:

Subd. 6. [EXCEPTIONS.] A person who on January 1, 1972, meets all of the qualifications specified in subdivision 2 with regard

to the class of license applied for and, if experience is one of the requisites, has gained the experience within the three years next preceding January 1, 1972, shall be eligible for the issuance of a license without taking an examination.

A person who has held a license of any given class or in any field or fields within three years prior to the application shall be entitled to a renewal of the license in the same class or in the same fields without taking an examination.

A person applying for a license as a crop hail adjuster shall not be required to comply with the requirements of subdivision 5.

The commissioner may issue a license under sections 72B.01 to 72B.14 without an examination, if the applicant presents sufficient and satisfactory evidence of having passed a similar examination in another state and if the commissioner, with the advice of the advisory board, has determined that the standards of such other state are equivalent to those in Minnesota for the class of license applied for. Any applicant who presents sufficient and satisfactory evidence of having successfully completed all six parts of the insurance institute of America program in adjusting shall be entitled to an adjuster's license without taking the examination prescribed in subdivision 5.

Sec. 50. Laws 1991, chapter 233, section 111, is amended to read:

Sec. 111. [EFFECTIVE DATE.]

(a) Sections 33 and 110, paragraph (a), are effective the day following final enactment.

(b) Sections 63; 64; 65; 66; 67; 68; 69; 70; 71; 72; 73; 74; 75; 76; 77; 78; 79; 80; 81; 82; 83; and 110, paragraph (b), are effective August 1, 1991.

(c) Sections 43 and 44 are effective July for the licensing year beginning June 1, 1992.

(d) All other provisions of this article are effective July 1, 1991.

Sec. 51. [APPLICATION.]

Section 14 does not apply to policies in force on the effective date of that section and does not preclude renewals of those policies.

Section 20 applies to reports required to be filed in 1993 and subsequent years.

Sec. 52. [REVISOR INSTRUCTION.]

The revisor of statutes shall change the terms "fraternal beneficiary association," "association," or similar terms to "fraternal benefit society," "society," or similar terms wherever they appear in Minnesota Statutes and Minnesota Rules in connection with those entities regulated under Minnesota Statutes, chapter 64B.

Sec. 53. [REPEALER.]

Minnesota Statutes 1990, sections 65B.70; and 72A.13, subdivision 3, are repealed.

Sec. 54. [EFFECTIVE DATE.]

Section 42 is effective retroactive to the effective date of Laws 1989, chapter 260, section 25.

## ARTICLE 2

Section 1. Minnesota Statutes 1990, section 45.028, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENT.] (a) When a person, including any nonresident of this state, engages in conduct prohibited or made actionable by chapters 45 to 83, 155A, 309, and 332, or any rule or order under those chapters, and the person has not filed a consent to service of process under chapters 45 to 83, 155A, 309, and 332, that conduct is equivalent to an appointment of the commissioner as the person's attorney to receive service of process in any noncriminal suit, action, or proceeding against the person which is based on that conduct and is brought under chapters 45 to 83, 155A, 309, and 332, or any rule or order under those chapters.

(b) Subdivision 2 also applies in all other cases under chapters 45 to 83, 155A, 309, and 332, or any rule or order under those chapters, in which a person, including a nonresident of this state, has filed a consent to service of process. This paragraph supersedes any inconsistent provision of law.

(c) Subdivision 2 applies in all cases in which service of process is allowed to be made on the commissioner of commerce.

Sec. 2. Minnesota Statutes 1990, section 48.185, subdivision 7, is amended to read:

Subd. 7. Any bank or savings bank extending credit in compliance with the provisions of this section, which is injured competitively by violations of this section by another bank or savings bank, may institute a civil action in the district court of this state against that bank or savings bank for an injunction prohibiting any violation of

this section. The court, upon proper proof that the defendant has engaged in any practice in violation of this section, may enjoin the future commission of that practice. Proof of monetary damage or loss of profits shall not be required. Costs and attorneys' fees may be allowed to the plaintiff, unless the court directs otherwise. The relief provided in this subdivision is in addition to remedies otherwise available against the same conduct under the common law or statutes of this state.

Service of process shall be as in any other civil suit, except that if a defendant in the action is a foreign corporation or a national banking association with its principal place of business in another state, service of process may also be made by personal service outside the state, or in the manner provided by section 303.13, subdivision 1, clause (3), or in such manner as the court may direct, or in accordance with section 45.028, subdivision 2. Process is valid if it satisfies the requirements of due process of law, whether or not defendant is doing business in Minnesota regularly or habitually.

Sec. 3. Minnesota Statutes 1990, section 60A.19, subdivision 4, is amended to read:

Subd. 4. [FEES.] The commissioner shall be entitled to charge and receive a fee prescribed by section 60A.14, subdivision 1, paragraph (c), clause (4), for each notice, proof of loss, summons, or other process served under the provisions of this subdivision and subdivision 3, to be paid by the persons serving the same. The service of process is authorized by this section shall be made by ~~delivering to and leaving with the commissioner two copies thereof for each company being served~~ in compliance with section 45.028, subdivision 2.

Sec. 4. Minnesota Statutes 1990, section 60A.21, subdivision 2, is amended to read:

Subd. 2. [SERVICE OF PROCESS UPON UNAUTHORIZED INSURER.] (1) Any of the following acts in this state effected by mail or otherwise by an unauthorized foreign or alien insurer: (a) the issuance or delivery of contracts of insurance to residents of this state or to corporations authorized to do business therein; (b) the solicitation of applications for such contracts; (c) the collection of premiums, membership fees, assessments, or other considerations for such contracts; or (d) any other transaction of insurance business, is equivalent to and shall constitute an appointment by such insurer of the commissioner of commerce and the commissioner's successor or successors in office to be its true and lawful attorney upon whom may be served all lawful process in any action, suit, or proceeding instituted by or on behalf of an insured or beneficiary arising out of any such contract of insurance and any such act shall be signification of its agreement that such service of process is of the same legal

force and validity as personal service of process in this state upon such insurer.

(2) Such service of process shall be made by delivering to and leaving with the commissioner of commerce or some person in apparent charge of that office two copies thereof in compliance with section 45.028, subdivision 2 and the payment to that person of a filing fee as prescribed by section 60A.14, subdivision 1, paragraph (c), clause (4). The commissioner of commerce shall forthwith mail by certified mail one of the copies of such process to the defendant at its last known principal place of business and shall keep a record of all process so served upon the commissioner. Such service of process is sufficient provided notice of such service and a copy of the process are sent within ten days thereafter by certified mail by plaintiff or plaintiff's attorney to the defendant at its last known principal place of business and the defendant's receipt, or receipt issued by the post office with which the letter is certified showing the name of the sender of the letter and the name and address of the person to whom the letter is addressed, and the affidavit of the plaintiff or plaintiff's attorney showing a compliance herewith are filed with the court administrator of the court in which such action is pending on or before the date the defendant is required to appear or within such further time as the court may allow.

(3) Service of process in any such action, suit, or proceeding shall in addition to the manner provided in clause (2) of this subdivision be valid if served upon any person within this state who, in this state on behalf of such insurer, is: (a) soliciting insurance, or (b) making, issuing, or delivering any contract of insurance, or (c) collecting or receiving any premium, membership fee, assessment, or other consideration for insurance; and if a copy of such process is sent within ten days thereafter by certified mail by the plaintiff or plaintiff's attorney to the defendant at the last known principal place of business of the defendant and the defendant's receipt, or the receipt issued by the post office with which the letter is certified showing the name of the sender of the letter and the name and address of the person to whom the letter is addressed, and the affidavit of the plaintiff or plaintiff's attorney showing a compliance herewith are filed with the administrator of the court in which such action is pending on or before the date the defendant is required to appear or within such further time as the court may allow.

(4) No plaintiff or complainant shall be entitled to a judgment by default under this subdivision until the expiration of 30 days from the date of the filing of the affidavit of compliance.

(5) Nothing in this subdivision contained shall limit or abridge the right to serve any process, notice, or demand upon any insurer in any other manner now or hereafter permitted by law.

(6) The provisions of this section shall not apply to surplus line

insurance lawfully effectuated under Minnesota law, or to reinsurance, nor to any action or proceeding against an unauthorized insurer arising out of:

(a) Wet marine and transportation insurance;

(b) Insurance on or with respect to subjects located, resident, or to be performed wholly outside this state, or on or with respect to vehicles or aircraft owned and principally garaged outside this state;

(c) Insurance on property or operations of railroads engaged in interstate commerce; or

(d) Insurance on aircraft or cargo of such aircraft, or against liability, other than employer's liability, arising out of the ownership, maintenance, or use of such aircraft, where the policy or contract contains a provision designating the commissioner as its attorney for the acceptance of service of lawful process in any action or proceeding instituted by or on behalf of an insured or beneficiary arising out of any such policy, or where the insurer enters a general appearance in any such action.

Sec. 5. Minnesota Statutes 1990, section 64B.35, subdivision 2, is amended to read:

Subd. 2. [SERVICE.] Service under this section shall only be made upon the commissioner, or if absent, upon the person in charge of the commissioner's office. It shall be made in duplicate and shall constitute sufficient service upon the society. When legal process against a society is served upon the commissioner, the commissioner shall immediately forward one of the duplicate copies by registered mail, prepaid, directed to the secretary or corresponding officer in compliance with section 45.028, subdivision 2. No service shall require a society to file its answer, pleading, or defense in less than 30 days from the date of mailing the copy of the service to a society. Legal process shall not be served upon a society except in the manner herein provided. At the time of serving any process upon the commissioner, the plaintiff or complainant in the action shall pay to the commissioner a fee as prescribed in section 60A.14.

Sec. 6. Minnesota Statutes 1990, section 71A.02, subdivision 3, is amended to read:

Subd. 3. [COMMISSIONER AS AGENT FOR SERVICE.] Concurrently with the filing of the declaration provided for by the terms of subdivision 2, the attorney shall execute and file with the commissioner an instrument in writing for the subscribers, conditioned that upon the issuance of the certificate of authority provided for in subdivision 1, service of process in compliance with section 45.028, subdivision 2, may be had upon the commissioner in all suits in this

state arising out of these policies, contracts, or agreements, which service shall be valid and binding upon all subscribers exchanging at any time reciprocal or interinsurance contracts through such attorney. Three copies of the process shall be served and the commissioner shall file one copy, forward one copy to the attorney, and return one copy with an admission of service.

Sec. 7. Minnesota Statutes 1990, section 72A.22, subdivision 5, is amended to read:

Subd. 5. [SERVICE.] Statements of charges, notices, orders, and other processes of the commissioner under sections 72A.17 to 72A.32 may be served by anyone duly authorized by the commissioner, either in the manner provided by law for service of process in civil actions or by registering and mailing a copy thereof to the person affected by the statement, notice, order, or other process at the person's residence or principal office or place of business. A verified return by the person serving the statement, notice, order, or other process, setting forth the manner of such service, or the return postcard receipt for a copy of the statement, notice, order, or other process, registered and mailed as aforesaid, shall be proof of the service of the same in compliance with section 45.028, subdivision 2.

Sec. 8. Minnesota Statutes 1990, section 72A.37, subdivision 2, is amended to read:

Subd. 2. [METHOD OF SERVICE.] Service of a statement of charges and notices under said unfair trade practice act shall be made by any deputy or employee of the department of commerce delivering to and leaving with upon the commissioner or some person in apparent charge of the office, two copies thereof in compliance with section 45.028. Service of process issued by any court in any action, suit or proceeding to collect any penalty under said act provided, shall be made by delivering and leaving with the commissioner, or some person in apparent charge of the office, two copies thereof. The commissioner shall forthwith cause to be mailed by certified mail one of the copies of such statement of charges, notices or process to the defendant at its last known principal place of business, and shall keep a record of all statements of charges, notices and process so served. Such service of statement of charges, notices or process shall be sufficient provided they shall have been so mailed and the defendant's receipt or receipt issued by the post office with which the letter is certified, showing the name of the sender of the letter and the name and address of the person to whom the letter is addressed, and the affidavit of the person mailing such letter showing a compliance herewith are filed with the commissioner in the case of any statement of charges or notices, or with the court administrator of the court in which such action is pending in the case of any process, on or before the date the defendant is required to appear or within such further time as may be allowed in compliance with section 45.028, subdivision 2.

Sec. 9. Minnesota Statutes 1990, section 72A.43, subdivision 2, is amended to read:

Subd. 2. Service of such process shall be made by delivering and leaving with the commissioner two copies thereof and the payment to the commissioner of a \$15 filing fee. The commissioner shall forthwith mail by certified mail one of the copies of such process to such company at its last known registered office, and shall keep a record of all process so served. The company's receipt, or receipt issued by the post office with which the letter is certified, and an affidavit of compliance herewith by or on behalf of the commissioner, shall be filed with the court administrator of the court in which such action or proceeding is pending on or before the return date of such process or within such further time as the court may allow in compliance with section 45.028, subdivision 2.

Sec. 10. Minnesota Statutes 1990, section 80A.27, subdivision 7, is amended to read:

Subd. 7. Every applicant for registration under sections 80A.01 to 80A.31 and every issuer who proposes to offer a security in this state through any person acting on an agency basis in the common law sense shall file with the commissioner, in such form as the commissioner by rule prescribes, an irrevocable consent appointing the commissioner or a successor in office to be the attorney to receive service of any lawful process in any noncriminal suit, action, or proceeding against that person or a successor, executor, or administrator which arises under sections 80A.01 to 80A.31 or any rule or order hereunder after the consent has been filed, with the same force and validity as if served personally on the person filing the consent. The consent need not be filed by a person who has filed a consent in connection with a previous registration or license which is then in effect. Service may be made by leaving a copy of the process in the office of the commissioner, but it is not effective unless (a) the plaintiff, who may be commissioner in a suit, action, or proceeding instituted by the commissioner, forthwith sends notice of the service and a copy of the process by certified mail to the defendant or respondent at the last address on file with the commissioner, and (b) the plaintiff's affidavit of compliance with this subsection is filed in the case on or before the return day of the process, if any, or within such further time as the court allows in compliance with section 45.028, subdivision 2.

Sec. 11. Minnesota Statutes 1990, section 80A.27, subdivision 8, is amended to read:

Subd. 8. When any person, including any nonresident of this state, engages in conduct prohibited or made actionable by sections 80A.01 to 80A.31 or any rule or order hereunder, and has not filed a consent to service of process under subdivision 7 and personal jurisdiction cannot otherwise be obtained in this state, that conduct



shall be considered equivalent to an appointment of the commissioner or a successor in office to be the attorney to receive service of any lawful process in any noncriminal suit, action, or proceeding against that person or a successor executor or administrator which grows out of that conduct and which is brought under sections 80A.01 to 80A.31 or any rule or order hereunder, with the same force and validity as if served personally. Service may under this section shall be made by leaving a copy of the process in the office of the commissioner, and it is not effective unless (a) the plaintiff, who may be the commissioner in a suit, action, or proceeding instituted by the commissioner, forthwith sends notice of the service and a copy of the process by certified mail to the defendant or respondent at the last known address or takes other steps which are reasonably calculated to give actual notice, and (b) the plaintiff's affidavit of compliance with this subsection is filed in the case on or before the return day of the process, if any, or within such further time as the court allows in compliance with section 45.028, subdivision 2.

Sec. 12. Minnesota Statutes 1990, section 80C.20, is amended to read:

#### 80C.20 [SERVICE OF PROCESS.]

Every applicant for registration under sections 80C.01 to 80C.22 and every franchisor on whose behalf an application for registration is filed, except applicants and franchisors which are Minnesota corporations, shall file with the commissioner, in such form as the commissioner may prescribe, an irrevocable consent appointing the commissioner and successors in office to be the applicant's or franchisor's attorney to receive service of any lawful process in any civil action against the applicant or franchisor or a successor, executor or administrator, which arises under sections 80C.01 to 80C.22 or any rule or order thereunder after the consent has been filed, with the same force and validity as if served personally on the applicant or franchisor or a successor, executor or administrator. Service may under this section shall be made by leaving a copy of the process in the office of the commissioner, but it is not effective unless the plaintiff, who may be the commissioner in an action instituted by the commissioner, forthwith sends notice of the service and a copy of the process by certified mail to the defendant or respondent at the last address on file with the commissioner, and the plaintiff's affidavit of compliance with this subsection is filed with the court at the time of the filing of the complaint in compliance with section 45.028, subdivision 2.

When any person, including any nonresident of this state and any foreign corporation, engages in conduct prohibited or made actionable by sections 80C.01 to 80C.22, whether or not the person has filed a consent to service of process, and personal jurisdiction over the person cannot otherwise be obtained in this state, that conduct shall be considered equivalent to appointment of the commissioner

and successors in office to be the person's agent to receive service of any lawful process in any suit against the person or a successor, executor or administrator which grows out of that conduct and which is brought under sections 80C.01 to 80C.22, with the same force and validity as if served personally. Service may under this section shall be made by leaving a copy of the process in the office of the commissioner but it is not effective unless the plaintiff, who may be the commissioner in an action instituted by the commissioner, forthwith sends notice of the service and a copy of the process by certified mail to the defendant or respondent at the last known address on file with the commissioner and the plaintiff's affidavit of compliance with this section is filed with the court at the time of the filing of the complaint in compliance with section 45.028, subdivision 2.

Sec. 13. Minnesota Statutes 1990, section 82.31, subdivision 3, is amended to read:

Subd. 3. Service of process under this section may shall be made by filing a copy of the process with the commissioner or a representative, but is not effective unless:

(a) The plaintiff, who may be the commissioner in an action or proceeding instituted by the commissioner, sends notice of the service and a copy of the process by certified mail to the defendant or respondent at the address as shown by the records at the office of the commissioner in the case of service made on the commissioner as attorney pursuant to appointment in compliance with subdivision 1, and at the defendant's or respondent's last known address in the case of service on the commissioner as attorney pursuant to appointment by virtue of subdivision 2; and

(b) The plaintiff's affidavit of compliance with this subdivision is filed in the action or proceeding on or before the return day of the process, if any, or within such further time as the court or administrative law judge allows in compliance with section 45.028, subdivision 2.

Sec. 14. Minnesota Statutes 1990, section 82A.22, subdivision 1, is amended to read:

Subdivision 1. [CONSENT TO SERVICE.] Every membership camping operator or broker, on whose behalf an application for registration or exemption is filed, shall file with the commissioner, in such form as the commissioner may prescribe, an irrevocable consent appointing the commissioner and the commissioner's successors in office to be the membership camping operator's or broker's attorney to receive service of any lawful process in any noncriminal suit, action, or proceeding against the membership camping operator or broker or a successor, executor, or administrator which arises under this chapter or any rule or order thereunder after the consent

has been filed, with the same force and validity as if served personally on the membership camping operator or the operator's successor, executor, or administrator. Service may under this section shall be made by leaving a copy of the process in the office of the commissioner, but it is not effective unless:

(1) the plaintiff, who may be the commissioner in a suit, action, or proceeding instituted by the commissioner, sends notice of the service and a copy of the process by certified mail to the defendant or respondent at that person's last address on file with the commissioner; and

(2) the plaintiff's affidavit of compliance with this section is filed in the case on or before the return day of the process, if any, or within such further time as the court allows in compliance with section 45.028, subdivision 2.

Sec. 15. Minnesota Statutes 1990, section 82A.22, subdivision 2, is amended to read:

Subd. 2. [APPOINTMENT OF COMMISSIONER.] When any person, including any nonresident of this state, engages in conduct prohibited or made actionable by this chapter, or any rule or order thereunder, and the person has not filed a consent to service of process under subdivision 1 and personal jurisdiction over this person cannot otherwise be obtained in this state, that conduct shall be considered equivalent to the person's appointment of the commissioner or the commissioner's successor to be the person's attorney to receive service of any lawful process in any noncriminal suit, action, or proceeding against the person which grows out of that conduct and which is brought under this chapter or any rule or order thereunder, with the same force and validity as if served on the person personally. Service may under this section shall be made by leaving a copy of the process in the office of the commissioner, and it is not effective unless:

(1) the plaintiff, who may be the commissioner in a suit, action, or proceeding instituted by the commissioner, forthwith sends notice of the service and a copy of the process by certified mail to the defendant or respondent at that person's last known address or takes other steps which are reasonably calculated to give actual notice; and

(2) the plaintiff's affidavit of compliance with this subdivision is filed in the case on or before the return day of the process, if any, or within such further time as the court allows in compliance with section 45.028, subdivision 2.

Sec. 16. Minnesota Statutes 1991 Supplement, section 82B.15, subdivision 3, is amended to read:

Subd. 3. [PROCEDURE.] Service of process under this section ~~may shall be made under the provisions of in compliance with~~ section 45.028, subdivision 2.

Sec. 17. Minnesota Statutes 1990, section 83.39, subdivision 1, is amended to read:

Subdivision 1. [PROCEDURE.] Every applicant for registration under sections 83.20 to 83.42, 83.43 and 83.44 shall file with the commissioner, in a format as by rule may be prescribed, an irrevocable consent appointing the commissioner or commissioner's successor to be the applicant's attorney to receive service of any lawful process in any noncriminal suit, action, or proceeding against the applicant or a successor, executor, or administrator which arises under sections 83.20 to 83.42, 83.43 and 83.44 or any rule or order thereunder after the consent has been filed, with the same force and validity as if served personally on the person filing the consent. ~~Service may under this section shall be made by leaving a copy of the process in the office of the commissioner, but it is not effective unless~~ (a) ~~the plaintiff, who may be commissioner in a suit, action, or proceeding instituted by the commissioner, forthwith sends notice of the service and a copy of the process by registered mail to the defendant or respondent at that person's last address on file with the commissioner, and~~ (b) ~~the plaintiff's affidavit of compliance with this subdivision is filed in the case on or before the return day of the process, if any, or within such further time as the court allows in compliance with section 45.028, subdivision 2.~~

The rulemaking authority in this subdivision does not include emergency rulemaking authority pursuant to chapter 14.

Sec. 18. Minnesota Statutes 1990, section 83.39, subdivision 2, is amended to read:

Subd. 2. [SERVICE ON COMMISSIONER.] When any person, including any nonresident of this state, engages in conduct prohibited or made actionable by sections 83.20 to 83.42, 83.43 and 83.44, or any rule or order thereunder, and the person has not filed a consent to service of process under subdivision 1 and personal jurisdiction over this person cannot otherwise be obtained in this state, that conduct shall be considered equivalent to the person's appointment of the commissioner or the commissioner's successor to be the person's attorney to receive service of any lawful process in any noncriminal suit, action, or proceeding against the commissioner or the commissioner's successor, executor, or administrator which grows out of that conduct and which is brought under sections 83.20 to 83.42, 83.43 and 83.44 or any rule or order thereunder, with the same force and validity as if served on the person personally. ~~Service may under this section shall be made by leaving a copy of the process in the office of the commissioner, and it is not effective unless~~ (a) ~~the plaintiff, who may be the commissioner in a suit, action, or~~

proceeding instituted by the commissioner, forthwith sends notice of the service and a copy of the process by registered mail to the defendant or respondent at that person's last known address or takes other steps which are reasonably calculated to give actual notice, and (b) the plaintiff's affidavit of compliance with this subdivision is filed in the case on or before the return day of the process, if any, or within such further time as the court allows in compliance with section 45.028, subdivision 2.

Sec. 19. Minnesota Statutes 1990, section 543.08, is amended to read:

543.08 [SUMMONS, SERVICE UPON CERTAIN CORPORATIONS.]

If a private domestic corporation has no officer at the registered office of the corporation within the state upon whom service can be made, of which fact the return of the sheriff of the county in which that office is located, or the affidavit of a private person not a party, that none can be found in that county shall be conclusive evidence, service of the summons upon it may be made by depositing two copies, together with a fee of \$35 with the secretary of state, which shall be deemed personal service upon the corporation. One of the copies shall be filed by the secretary, and the other forthwith mailed by the secretary to the corporation by certified mail, if the place of its main office is known to the secretary or is disclosed by the files in the office.

If the defendant is a foreign insurance corporation, the summons may be served by two copies delivered to the commissioner of commerce, who shall file one in the commissioner's office and forthwith mail the other postage prepaid to the defendant at its home office in compliance with section 45.028, subdivision 2.

### ARTICLE 3

Section 1. Minnesota Statutes 1990, section 60A.02, subdivision 7, is amended to read:

Subd. 7. [INSURANCE AGENT OR INSURANCE AGENCY.] An "insurance agent" or "insurance agency" is a person acting under express authority from, and an appointment pursuant to section ~~60A.17~~ 60K.02 by, an insurer and on its behalf to solicit insurance, or to appoint other agents to solicit insurance, or to write and countersign policies of insurance, or to collect premiums therefor within this state, or to exercise any or all these powers when so authorized by the insurer. The term "person" includes a natural person, a partnership, a corporation, or other entity, including an insurance agency.

Sec. 2. [60A.052] [DENIAL, REVOCATION, SUSPENSION OF CERTIFICATE OF AUTHORITY.]

Subdivision 1. [GROUNDS.] The commissioner may by order take any or all of the following actions: (1) deny, suspend, or revoke a certificate of authority; (2) censure the insurance company; or (3) impose a civil penalty as provided for in section 45.027, subdivision 6. In order to take this action the commissioner must find that the order is in the public interest, and the insurance company:

(1) has a board of directors or principal management that is incompetent, untrustworthy, or so lacking in insurance company managerial experience as to make its operation hazardous to policyholders, its stockholders, or to the insurance buying public;

(2) is controlled directly or indirectly through ownership, management, reinsurance transactions, or other business relations by any person or persons whose business operations are or have been marked by manipulation of any assets, reinsurance, or accounts as to create a hazard to the company's policyholders, stockholders, or the insurance buying public;

(3) is in an unsound or unsafe condition;

(4) has the actual liabilities that exceed the actual funds of the company;

(5) has filed an application for a license which is incomplete in any material respect or contains any statement which, in light of the circumstances under which it was made, contained any misrepresentation or was false, misleading, or fraudulent;

(6) has pled guilty, with or without explicitly admitting guilt, pled nolo contendere, or been convicted of a felony, gross misdemeanor or misdemeanor involving moral turpitude, including but not limited to, assault or similar conduct;

(7) is permanently or temporarily enjoined by any court of competent jurisdiction from engaging in or continuing any conduct or practice involving any aspect of the insurance business;

(8) has violated or failed to comply with any order of the insurance regulator of any other state or jurisdiction;

(9) has had a certificate of authority denied, suspended, or revoked, has been censured or reprimanded, has been the subject of any other discipline imposed by, or has paid or has been required to pay a monetary penalty or fine to, another state; or

(10) or its agents, officers, or directors refuse to submit to

examination or perform any related legal obligation, or has violated or failed to comply with, any of the provisions of the insurance laws including chapters 45 or 60A to 72A or any rule or order under those chapters.

Subd. 2. [SUMMARY SUSPENSION OR REVOCATION OF AUTHORITY OR CENSURE.] If the commissioner determines that one of the conditions listed in subdivision 1 exists, the commissioner may issue an order requiring the insurance company to show cause why any or all of the following should not occur: (1) revocation or suspension of any or all certificates of authority granted to the foreign or domestic insurance company or its agent; (2) censuring of the insurance company; or (3) the imposition of a civil penalty. The order shall be calculated to give reasonable notice of the time and place for hearing thereon, and shall state the reasons for the entry of the order. The commissioner may by order summarily suspend or revoke a certificate pending final determination of any order to show cause. If a certificate is suspended or revoked pending final determination of an order to show cause, a hearing on the merits shall be held within 30 days of the issuance of the summary order. All hearings shall be conducted in accordance with chapter 14. After the hearing, the commissioner shall enter an order disposing of the matter as the facts require. If the insurance company fails to appear at a hearing after having been duly notified of it, the company shall be considered in default, and the proceeding may be determined against the company upon consideration of the order to show cause, the allegations of which may be considered to be true.

Subd. 3. [APPLICANTS.] Whenever it appears to the commissioner that an application for a certificate of authority should be denied pursuant to subdivision 1, the commissioner shall promptly give a written notice to the applicant of the denial. The notice must state the grounds for the denial and give reasonable notice of the rights of the applicant to request a hearing. A hearing must be held not later than 30 days after the request for hearing is received by the commissioner unless the applicant and the department of commerce agree that the hearing may be held at a later date. If no hearing is requested within 30 days of service of the notice, the denial will become final. All hearings shall be conducted in accordance with chapter 14. After the hearing, the commissioner shall enter an order disposing of the matter as the facts require. If the applicant fails to appear at a hearing after having been duly notified of it, the applicant shall be considered in default, and the proceeding may be determined against the applicant upon consideration of the notice denying the application, the allegations of which may be considered to be true.

Subd. 4. [ACTIONS AGAINST LAPSED CERTIFICATE OF AUTHORITY.] If a certificate of authority lapses, is surrendered, withdrawn, terminated, or otherwise becomes ineffective, the commissioner may institute a proceeding under this subdivision within

two years after the certificate of authority was last effective and enter a revocation or suspension order as of the last date on which the certificate of authority was in effect, or impose a civil penalty as provided for in section 45.027, subdivision 6.

Sec. 3. [60K.01] [DEFINITIONS.]

Unless the language or context clearly indicates that a different meaning is intended, the definitions in section 60A.01 are applicable to this chapter.

Sec. 4. [60K.02] [INSURANCE AGENTS, SOLICITORS LICENSE.]

Subdivision 1. [REQUIREMENT.] No person shall act or assume to act as an insurance agent in the solicitation or procurement of applications for insurance, nor in the sale of insurance or policies of insurance, nor in any manner aid as an insurance agent in the negotiation of insurance by or with an insurer, including resident agents or reciprocal or interinsurance exchanges and fraternal benefit societies, until that person obtains from the commissioner a license for that purpose. The license must specifically set forth the name of the person authorized to act as an agent and the class or classes of insurance for which that person is authorized to solicit or countersign policies. An insurance agent may qualify for a license in the following classes: (1) life and health; and (2) property and casualty.

No insurer shall appoint or reappoint a natural person, partnership, or corporation to act as an insurance agent on its behalf until that natural person, partnership, or corporation obtains a license as an insurance agent.

Subd. 2. [PARTNERSHIPS AND CORPORATIONS.] A license issued to a partnership or corporation must be solely in the name of the entity to which it is issued; provided, that each partner, director, officer, stockholder, or employee of the licensed entity who is personally engaged in the solicitation or negotiation of a policy of insurance on behalf of the licensed entity shall be personally licensed as an insurance agent.

Upon request by the commissioner, each partnership and corporation licensed as an insurance agent shall provide the commissioner with a list of the names of each partner, director, officer, stockholder, and employee who is required to hold a valid insurance agent's license.

Subd. 3. [TRANSITION.] (a) Any agent who is qualified for life or accident and health as of June 1, 1981, is qualified for a life and health license under Laws 1981, chapter 307, and is appointed by an



insurer which has submitted a written requisition for a license for that agent as of June 1, 1981.

(b) Any agent who is qualified for one or more lines of insurance, excluding life or accident and health and farm property liability as of June 1, 1981, is qualified for a property and casualty license under Laws 1981, chapter 307, and is appointed by any insurer which has submitted a written requisition for a license for that agent as of June 1, 1981.

Subd. 4. [CRIMINAL PENALTIES.] A person who acts or assumes to act as an insurance agent without a valid license issued by the commissioner is guilty of a gross misdemeanor.

Sec. 5. [60K.03] [LICENSE APPLICATION.]

Subdivision 1. [PROCEDURE.] An application for a license to act as an insurance agent shall be made to the commissioner by the person who seeks to be licensed. The application for license shall be accompanied by a written appointment from an admitted insurer authorizing the applicant to act as its agent under one or both classes of license. The insurer must also submit its check payable to the state treasurer for the amount of the appointment fee prescribed by section 60A.14, subdivision 1, paragraph (c), clause (9), at the time the agent becomes licensed. The application and appointment must be on forms prescribed by the commissioner.

If the applicant is a natural person, no license shall be issued until that natural person has become qualified.

If the applicant is a partnership or corporation, no license shall be issued until at least one natural person who is a partner, director, officer, stockholder, or employee shall be licensed as an insurance agent.

Subd. 2. [RESIDENT AGENT.] The commissioner shall issue a resident insurance agent's license to a qualified resident of this state as follows:

(a) A person may qualify as a resident of this state if that person resides in this state or the principal place of business of that person is maintained in this state. Application for a license claiming residency in this state for licensing purposes, constitutes an election of residency in this state. A license issued upon an application claiming residency in this state is void if the licensee, while holding a resident license in this state, also holds, or makes application for, a resident license in, or thereafter claims to be a resident of, any other state or jurisdiction or if the licensee ceases to be a resident of this state; provided, however, if the applicant is a resident of a community or trade area, the border of which is contiguous with the

state line of this state, the applicant may qualify for a resident license in this state and at the same time hold a resident license from the contiguous state.

(b) The commissioner shall subject each applicant who is a natural person to a written examination as to the applicant's competence to act as an insurance agent. The examination must be held at a reasonable time and place designated by the commissioner.

(c) The examination shall be approved for use by the commissioner and shall test the applicant's knowledge of the lines of insurance, policies, and transactions to be handled under the class of license applied for, of the duties and responsibilities of the licensee, and pertinent insurance laws of this state.

(d) The examination shall be given only after the applicant has completed a program of classroom studies in a school, which shall not include a school sponsored by, offered by, or affiliated with an insurance company or its agents; except that this limitation does not preclude a bona fide professional association of agents, not acting on behalf of an insurer, from offering courses. The course of study shall consist of 30 hours of classroom study devoted to the basic fundamentals of insurance for those seeking a Minnesota license for the first time, 15 hours devoted to specific life and health topics for those seeking a life and health license, and 15 hours devoted to specific property and casualty topics for those seeking a property and casualty license. The program of studies or study course shall have been approved by the commissioner in order to qualify under this clause. If the applicant has been previously licensed for the particular line of insurance in the state of Minnesota, the requirement of a program of studies or a study course shall be waived. A certification of compliance by the organization offering the course shall accompany the applicant's license application. This program of studies in a school or a study course shall not apply to farm property perils and farm liability applicants, or to agents writing such other lines of insurance as the commissioner may exempt from examination by order.

(e) The applicant must pass the examination with a grade determined by the commissioner to indicate satisfactory knowledge and understanding of the class or classes of insurance for which the applicant seeks qualification. The commissioner shall inform the applicant as to whether or not the applicant has passed.

(f) An applicant who has failed to pass an examination may take subsequent examinations. Examination fees for subsequent examinations shall not be waived.

(g) Any applicant for a license covering the same class or classes of insurance for which the applicant was licensed under a similar license in this state, other than a temporary license, within the

three years preceding the date of the application shall be exempt from the requirement of a written examination, unless the previous license was revoked or suspended by the commissioner. An applicant whose license is not renewed under section 60G.12 is exempt from the requirement of a written examination.

Subd. 3. [NONRESIDENT AGENT.] The commissioner shall issue a nonresident insurance agent's license to a qualified person who is a resident of another state or country as follows:

(a) A person may qualify for a license under this section as a nonresident only if that person holds a license in another state, province of Canada, or other foreign country which, in the opinion of the commissioner, qualifies that person for the same activity as that for which a license is sought.

(b) The commissioner shall not issue a license to a nonresident applicant until that person files with the commissioner a designation of the commissioner and the commissioner's successors in office as the applicant's true and lawful attorney upon whom may be served all lawful process in an action, suit, or proceeding instituted by or on behalf of an interested person arising out of the applicant's insurance business in this state. This designation constitutes an agreement that this service of process is of the same legal force and validity as personal service of process in this state upon that applicant.

Service of process upon a licensee in an action or proceeding begun in a court of competent jurisdiction of this state may be made in compliance with section 45.028, subdivision 2.

(c) A nonresident license terminates automatically when the resident license for that class of license in the state, province, or foreign country in which the licensee is a resident is terminated for any reason.

Subd. 4. [TERM.] All licenses issued pursuant to this section remain in force until voluntarily terminated by the licensee, not renewed as prescribed in section 60K.06, or until suspended or revoked by the commissioner. A voluntary termination occurs when the license is surrendered to the commissioner with the request that it be terminated or when the licensee dies, or when the licensee is dissolved or its existence is terminated. In the case of a nonresident license, a voluntary termination also occurs upon the happening of the event described in subdivision 3, paragraph (c).

Every licensed agent shall notify the commissioner within 30 days of a change of name, address, or information contained in the application.

Subd. 5. [SUBSEQUENT APPOINTMENTS.] A person who holds a valid agent's license from this state may solicit applications for insurance on behalf of an admitted insurer with which the licensee does not have a valid appointment on file with the commissioner; provided, that the licensee has permission from the insurer to solicit insurance on its behalf and, provided further, that the insurer upon receipt of the application for insurance submits a written notice of appointment to the commissioner accompanied by its check payable to the state treasurer in the amount of the appointment fee prescribed by section 60A.14, subdivision 1, paragraph (c), clause (9). The notice of appointment must be on a form prescribed by the commissioner.

Subd. 6. [AMENDMENT OF LICENSE.] An application to the commissioner to amend a license to reflect a change of name, or to include an additional class of license, or for any other reason, shall be on forms provided by the commissioner and shall be accompanied by the applicant's surrendered license and a check payable to the state treasurer for the amount of fee specified in section 60A.14, subdivision 1, paragraph (c).

An applicant who surrenders an insurance license pursuant to this subdivision retains licensed status until an amended license is received.

Subd. 7. [EXCEPTIONS.] The following are exempt from the general licensing requirements prescribed by this section:

(1) agents of township mutuals who are exempted pursuant to section 60K.04;

(2) fraternal benefit society representatives exempted pursuant to section 60K.05;

(3) any regular salaried officer or employee of a licensed insurer, without license or other qualification, may act on behalf of that licensed insurer in the negotiation of insurance for that insurer; provided that a licensed agent must participate in the sale of the insurance;

(4) employers and their officers or employees, and the trustees or employees of any trust plan, to the extent that the employers, officers, employees, or trustees are engaged in the administration or operation of any program of employee benefits for the employees of the employers or employees of their subsidiaries or affiliates involving the use of insurance issued by a licensed insurance company; provided, that the activities of the officers, employees and trustees are incidental to clerical or administrative duties and their compensation does not vary with the volume of insurance or applications for insurance;

(5) employees of a creditor who enroll debtors for life or accident and health insurance; provided the employees receive no commission or fee for it;

(6) clerical or administrative employees of an insurance agent who take insurance applications or receive premiums in the office of their employer, if the activities are incidental to clerical or administrative duties and the employee's compensation does not vary with the volume of the applications or premiums; and

(7) rental vehicle companies and their employees in connection with the offer of rental vehicle personal accident insurance under section 72A.125.

Sec. 6. [60K.04] [TOWNSHIP MUTUAL AGENTS.]

No agent for a township mutual shall be required to take an examination to become eligible for an agent's license in farm property perils and farm liability if it is certified by one or more township mutual companies that the agent has been acting in the capacity of an agent at least since January 1, 1971, and no new examination shall be required for eligibility for a license in farm property perils and farm liability for a licensed agent in farm windstorm and hail insurance who was licensed prior to January 1, 1971.

Sec. 7. [60K.05] [FRATERNAL BENEFIT SOCIETY REPRESENTATIVES.]

Representatives of fraternal benefit societies who solicit and negotiate insurance contracts shall be deemed to be insurance agents and subject to the licensing requirements as set forth in section 60K.03, subdivision 1; provided, that no insurance agent's license shall be required of:

(1) any officer, employee, or secretary of a fraternal benefit society, or of any subordinate lodge or branch who devotes substantially all of that person's time to activities other than the solicitation or negotiation of insurance contracts and who receives no commission or other compensation directly dependent upon the number or amount of contracts solicited or negotiated; or

(2) any agent or representative of a fraternal benefit society who devotes, or intends to devote, less than 50 percent of that person's time to the solicitation and procurement of insurance contracts for that society. Any person who in the preceding calendar year has solicited and procured life insurance in excess of \$50,000 face amount, or, in the case of any other kinds of insurance which the society may write, on the persons of more than 25 individuals, and who has received or will receive a commission or other compensation

in the total amount of \$1,000 or more, shall be presumed to be devoting, or intending to devote, 50 percent of that person's time to the solicitation or procurement of insurance contracts for that society.

Sec. 8. [60K.06] [RENEWAL FEE.]

(a) Each agent licensed pursuant to section 60B.03 shall annually pay in accordance with the procedure adopted by the commissioner a renewal fee as prescribed by section 60A.14, subdivision 1, paragraph (c), clause (10).

(b) Every agent, corporation, and partnership license expires on October 31 of the year for which period a license is issued.

(c) Persons whose applications have been properly and timely filed who have not received notice of denial of renewal are approved for renewal and may continue to transact business whether or not the renewed license has been received on or before November 1. Applications for renewal of a license are timely filed if received by the commissioner on or before October 15 of the year due, on forms duly executed and accompanied by appropriate fees. An application mailed is considered timely filed if addressed to the commissioner, with proper postage, and postmarked by October 15.

(d) The commissioner may issue licenses for agents, corporations, or partnerships for a three-year period. If three-year licenses are issued, the fee is three times the annual license fee.

Sec. 9. [60K.07] [TEMPORARY LICENSES.]

Subdivision 1. [EXAMINATION.] The commissioner may grant a temporary insurance agent's license to a person who has successfully completed the examination, if any, required by the commissioner. The temporary license may be granted as of the date upon which the applicant receives written notice from the commissioner that the person has passed any required examination. A temporary license will permit the applicant to act as an insurance agent for the original appointing insurer for the class of business specified therein until the earlier of (1) receipt by the applicant of the resident license, or (2) the expiration of 90 days from the date on which the temporary license was granted.

Subd. 2. [PERMISSIVE TEMPORARY LICENSE.] The commissioner may issue a temporary license to a person to act as an insurance agent for a period not to exceed 90 days, which may be extended as determined by the commissioner, without requiring an examination if the commissioner considers a temporary license necessary for the servicing of an insurance business in the following cases:

(1) to an agent licensed as a resident agent in another state where the commissioner determines that the foreign license is substantially the equivalent of that being applied for from the state of Minnesota and where the agent has been transferred into this state with the intention of becoming a resident, working as an insurance agent, and obtaining a resident license from the state of Minnesota;

(2) to the surviving spouse or next of kin, or to the administrator or executor, or to an employee of a deceased licensed insurance agent, or to the spouse, next of kin, an employee or legal guardian of a disabled licensed insurance agent;

(3) to the designee of a licensed insurance agent entering upon active service in the armed forces of the United States; or

(4) in any other circumstance where the commissioner considers that the public interest will best be served by the issuance of a temporary license.

#### Sec. 10. [60K.08] [BROKERAGE BUSINESS.]

Every insurance agent duly licensed to transact business in this state shall have the right to procure the insurance of risks, or parts of risks, in the class or classes of insurance for which the agent is licensed in other insurers duly authorized to transact business in this state, but the insurance shall only be consummated through a duly appointed resident agent of the insurer taking the risk. If the law of another state requires a nonresident agent who is a resident agent of Minnesota to pay a portion of the premium to or share commissions with a licensed resident agent of that state, then the licensed resident agent of Minnesota when consummating and countersigning for a licensed nonresident agent of that state shall receive five percent of the total premium or 25 percent of the commission, whichever is less.

#### Sec. 11. [60K.09] [UNFIT PERSON NOT TO BE EMPLOYED BY INSURER.]

No insurer, its officers, agents, or managers, shall knowingly make application to the commissioner for appointment of a person as its agent where that person is known to the insurer, its officers, agents, or managers, making the application, to be unfit or disqualified to be licensed as an insurance agent, and immediately upon the discovery by the insurer, its officers, agents, or managers, having supervision of the agent, of the unfitness or disqualification, the insurer, or the officers, agents, or managers, shall forthwith inform the commissioner, in writing of their decision to terminate their appointment of this agent; nor shall any insurer retain in its employ any agent known by it to be disqualified or unfit to be licensed as an insurance agent.

Sec. 12. [60K.10] [TERM OF APPOINTMENTS.]

All appointments of agents by insurers pursuant to this section shall remain in force until terminated voluntarily by the appointing insurer or the license of the agent has for any reason been terminated during the appointment. The original appointing insurer, as well as any subsequent appointing insurer, may terminate their appointment of an agent at any time by giving written notice thereof to the commissioner and by sending a copy thereof to the last known address of the agent. The effective date of the termination shall be the date of receipt of the notice by the commissioner unless another date is specified by the insurer in the notice. Within 30 days after the insurer gives notice of termination to the commissioner, the insurer shall furnish the agent with a current statement of the agent's commission account.

Accompanying the notice of a termination given to the commissioner by the insurer shall be a statement of the specific reasons constituting the cause of termination. Any document, record, or statement relating to the agent which is disclosed or furnished to the commissioner contemporaneously with, or subsequent to, the notice of termination shall be deemed confidential by the commissioner and a privileged communication. The document, record, or statement furnished to the commissioner shall not be admissible in whole or in part for any purpose in any action or proceeding against (1) the insurer or any of its officers, employees, or representatives, submitting or providing the document, record, or statement, or (2) any person, firm, or corporation furnishing in good faith to the insurer the information upon which the reasons for termination are based.

Sec. 13. [60K.11] [DENIAL, REVOCATION, SUSPENSION, AND CENSURE OF LICENSES.]

Subdivision 1. [GROUNDS.] The commissioner may by order take any or all of the following actions:

- (1) deny, suspend, or revoke an insurance agent or agency license;
- (2) censure the licensee; or
- (3) impose a civil penalty as provided for in section 45.027, subdivision 6.

In order to take this action the commissioner must find that the order is in the public interest and that the applicant, licensee, or in the case of an insurance agency, partner, director, shareholder, officer, or agent of that insurance agency:

- (i) does not intend to or is not in good faith carrying on the business of an insurance agent;



(ii) has filed an application for a license which is incomplete in any material respect or contains any statement which, in light of the circumstances under which it is made, contains any misrepresentation, or is false, misleading, or fraudulent;

(iii) has engaged in an act or practice, whether or not such act or practice involves the business of insurance, which demonstrates that the applicant or licensee is untrustworthy, financially irresponsible, or otherwise incompetent or unqualified to act as an insurance agent or agency;

(iv) has pled guilty, with or without explicitly admitting guilt, pled nolo contendere, or been convicted of a felony, gross misdemeanor, or misdemeanor involving moral turpitude, including but not limited to, assault or similar conduct;

(v) has violated or failed to comply with any of the provisions of the insurance laws including chapters 45 or 60A to 72A or any rule or order under those chapters;

(vi) is permanently or temporarily enjoined by any court of competent jurisdiction from engaging in or continuing any conduct or practice involving any aspect of the insurance business;

(vii) has violated or failed to comply with any order of the insurance regulator of any other state or jurisdiction;

(viii) has had an insurance agent or agency license denied, suspended, or revoked, has been censured or reprimanded, has been the subject of any other discipline imposed by, or has paid or has been required to pay a monetary penalty or fine to, another state or jurisdiction;

(ix) has misrepresented the terms of any actual or proposed insurance contract;

(x) has engaged in any fraudulent, coercive, deceptive, or dishonest act or practice whether or not such act or practice involves the business of insurance;

(xi) has improperly withheld, misappropriated, or converted to the licensee's or applicant's own use any money belonging to a policy holder, insurer, beneficiary, or other person; or

(xii) has forged another's name to any document whether or not the document relates to an application for insurance or a policy of insurance.

Subd. 2. [LICENSEES.] If the commissioner determines that one of the conditions listed in subdivision 1 exists, the commissioner

may issue an order requiring a licensee to show cause why any or all of the following should not occur: (1) the license revocation or suspension; (2) censuring of the licensee; or (3) the imposition of a civil penalty. The order shall be calculated to give reasonable notice of the time and place for hearing on the matter, and shall state the reasons for the entry of the order. The commissioner may by order summarily suspend a license pending final determination of any order to show cause. If a license is suspended pending final determination of an order to show cause, a hearing on the merits shall be held within 30 days of the issuance of the order of suspension. All hearings shall be conducted in accordance with the provisions of chapter 14. After the hearing, the commissioner shall enter an order disposing of the matter as the facts require. If the licensee fails to appear at a hearing after having been duly notified of it, the licensee shall be considered in default, and the proceeding may be determined against the licensee upon consideration of the order to show cause, the allegations of which may be considered to be true.

Subd. 3. [APPLICANTS.] Whenever it appears to the commissioner that a license application should be denied pursuant to subdivision 1, the commissioner shall promptly give a written notice to the applicant of the denial. The notice must state the grounds for the denial and give reasonable notice of the rights of the applicant to request a hearing. A hearing must be held not later than 30 days after the request for the hearing is received by the commissioner unless the applicant and the department of commerce agree that the hearing may be held at a later date. If no hearing is requested within 30 days of service of the notice, the denial will become final. All hearings shall be conducted in accordance with the provisions of chapter 14. After the hearing, the commissioner shall enter an order making such disposition as the facts require. If the applicant fails to appear at a hearing after having been duly notified of it, the person shall be considered in default, and the proceeding may be determined against the applicant upon consideration of the notice denying application, the allegations of which may be considered to be true. All fees accompanying the application and appointment are considered earned and are not refundable.

Subd. 4. [ACTIONS AGAINST LAPSED LICENSE.] If a license lapses, is surrendered, withdrawn, terminated, or otherwise becomes ineffective, the commissioner may institute a proceeding under this subdivision within two years after the license was last effective and enter a revocation or suspension order as of the last date on which the license was in effect, or impose a civil penalty as provided for in section 45.027, subdivision 6.

Subd. 5. [NOTIFICATION OF ACTION TAKEN BY OTHER STATE.] An insurance agent shall notify the commissioner within 30 days of any fine imposed on that agent by another state or of a suspension or revocation of license by the commissioner of commerce of this state or the commissioner of insurance of any other state.

Subd. 6. [CONDITIONS FOR RELICENSURE.] A revocation of a license shall prohibit the licensee from making a new application for a license for at least two years from the effective date of the revocation. Further, the commissioner shall, as a condition of reapplication, require the applicant to obtain a performance bond issued by an insurer authorized to transact business in this state in the amount of \$20,000 or a greater amount the commissioner considers appropriate for the protection of citizens of this state in the event the commissioner grants the application. The bond shall be filed with the commissioner, with the state of Minnesota as obligee, conditioned for the prompt payment to any aggrieved person entitled to payment of any amounts received by the licensee or to protect any aggrieved person from loss resulting from fraudulent, deceptive, dishonest, or other prohibited practices arising out of any transaction when the licensee was licensed or performed acts for which a license is required under this chapter. The bond shall remain operative for as long as that licensee is licensed. The bond required by this subdivision must provide coverage for all matters arising during the period of licensure.

Sec. 14. [60K.12] [TAX CLEARANCE CERTIFICATE.]

Subdivision 1. [REQUIREMENT FOR ISSUANCE OR RENEWAL OF LICENSE.] In addition to the provisions of section 60G.11, the commissioner may not issue or renew a license if the commissioner of revenue notifies the commissioner and the licensee or applicant for a license that the licensee or applicant owes the state delinquent taxes in the amount of \$500 or more. The commissioner may issue or renew the license only if: (1) the commissioner of revenue issues a tax clearance certificate; and (2) the commissioner of revenue or the licensee or applicant forwards a copy of the clearance to the commissioner. The commissioner of revenue may issue a clearance certificate only if the licensee or applicant does not owe the state any uncontested delinquent taxes.

Subd. 2. [DEFINITIONS.] For purposes of this section, the following terms have the meanings given them:

(1) "taxes" are all taxes payable to the commissioner of revenue, including penalties and interest due on those taxes; and

(2) "delinquent taxes" do not include a tax liability if (i) an administrative or court action that contests the amount or validity of the liability has been filed or served, (ii) the appeal period to contest the tax liability has not expired, or (iii) the licensee or applicant has entered into a payment agreement to pay the liability and is current with the payments.

Subd. 3. [CONTESTED CASE HEARING.] In lieu of the notice and hearing requirements of section 60K.11, when a licensee or applicant is required to obtain a clearance certificate under this

section, a contested hearing must be held if the licensee or applicant requests a hearing in writing to the commissioner of revenue within 30 days of the date of the notice provided in subdivision 1. The hearing must be held within 45 days of the date the commissioner of revenue refers the case to the office of administrative hearings. Notwithstanding any law to the contrary, the licensee or applicant must be served with 20 days' notice in writing specifying the time and place of the hearing and the allegations against the licensee or applicant. The notice may be served personally or by mail.

Subd. 4. [IDENTIFICATION REQUIRED.] The commissioner shall require all licensees or applicants to provide their social security number and Minnesota business identification number on all license applications. Upon request of the commissioner of revenue, the commissioner must provide to the commissioner of revenue a list of all licensees and applicants, including the name and address, social security number, and business identification number. The commissioner of revenue may request a list of the licensees and applicants no more than once each calendar year.

Sec. 15. [60K.13] [SURRENDER, LOSS, OR DESTRUCTION OF LICENSE.]

Subdivision 1. [NOTIFICATION.] The commissioner shall promptly notify the licensee and all appointing insurers, where applicable, of any suspension, revocation, or termination of the licensee's agent's license by the commissioner. Upon receipt of the notice of suspension or revocation of a license, the licensee shall immediately deliver it to the commissioner.

Subd. 2. [RETURN OF LICENSE.] An agent whose resident or nonresident license is terminated, as provided in section 60K.11, shall deliver the terminated license to the commissioner by personal delivery or by mail within 30 days after the date of termination.

Subd. 3. [DUPLICATE LICENSE.] The commissioner may issue a duplicate license for any lost, stolen, or destroyed license issued pursuant to this section upon an affidavit of the licensee concerning the facts of the loss, theft, or destruction, and the payment of a fee of \$3 by money order or cashier's check payable to the state treasurer.

Sec. 16. [60K.14] [PROHIBITED ACTS.]

Subdivision 1. [PERSONAL SOLICITATION OF INSURANCE SALES.] (a) [DEFINITIONS.] For the purposes of this section, the following terms have the meanings given them:

(1) "agent" means a person, copartnership, or corporation required to be licensed pursuant to section 60K.02; and

(2) "personal solicitation" means any contact by an agent, or any person acting on behalf of an agent, made for the purpose of selling or attempting to sell insurance, when either the agent or a person acting for the agent contacts the buyer by telephone or in person, except: (i) an attempted sale in which the buyer personally knows the identity of the agent, the name of the general agency, if any, which the agent represents, and the fact that the agent is an insurance agent; (ii) an attempted sale in which the prospective purchaser of insurance initiated the contact; or (iii) a personal contact which takes place at the agent's place of business.

(b) [DISCLOSURE REQUIREMENT.] Before a personal solicitation, the agent or person acting for an agent shall, at the time of initial personal contact or communication with the potential buyer, clearly and expressly disclose:

(1) the name of the person making the contact or communication;

(2) the name of the agent, general agency, or insurer that person represents; and

(3) the fact that the agent, agency, or insurer is in the business of selling insurance.

(c) [FALSE REPRESENTATION OF GOVERNMENT AFFILIATION.] No agent or person acting for an agent shall make any communication to a potential buyer that indicates or gives the impression that the agent is acting on behalf of a government agency.

Subd. 2. [FEES FOR SERVICES.] No person shall charge a fee for any services rendered in connection with the solicitation, negotiation, or servicing of any insurance contract unless:

(1) before rendering the services, a written statement is provided disclosing:

(i) the services for which fees are charged;

(ii) the amount of the fees;

(iii) that the fees are charged in addition to premiums; and

(iv) that premiums include a commission; and

(2) all fees charged are reasonable in relation to the services rendered.

Subd. 3. [COMMISSIONS OR COMPENSATION.] No commission or other compensation shall be paid or allowed by any person, firm,

or corporation to any other person, firm, or corporation acting, or assuming to act, as an insurance agent without a license therefor. A duly licensed agent may pay commissions or assign or direct that commissions be paid to a partnership of which the agent is a member, employee, or agent, or to a corporation of which the agent is an officer, employee, or agent. This subdivision does not prevent the payment or receipt of renewal or other deferred commissions to or by any person solely because the person has ceased to hold a license to act as an insurance agent.

Subd. 4. [SUITABILITY OF INSURANCE.] In recommending the purchase of any life, endowment, long-term care, annuity, life-endowment, or Medicare supplement insurance to a customer, an agent must have reasonable grounds for believing that the recommendation is suitable for the customer and must make reasonable inquiries to determine suitability. The suitability of a recommended purchase of insurance will be determined by reference to the totality of the particular customer's circumstances, including, but not limited to, the customer's income, the customer's need for insurance, and the values, benefits, and costs of the customer's existing insurance program, if any, when compared to the values, benefits, and costs of the recommended policy or policies.

Subd. 5. [PREMIUMS.] All premiums or other money received by an agent from an insured or applicant for insurance must be forthwith deposited directly in a business checking, savings, or other similar account maintained by the agent or agency, unless the money is forwarded directly to the designated insurer.

Subd. 6. [PRIVACY OF CLIENT.] Except as otherwise provided by law, no insurance agent may disclose nor cause to be disclosed to any other person the identity of a person insured through the agent without the consent of the insured.

#### **Sec. 17. [60K.15] [INSURER'S AGENT.]**

Any person who solicits insurance is the agent of the insurer and not the agent of the insured.

#### **Sec. 18. [60K.16] [LIABILITY FOR PLACING INSURANCE IN UNAUTHORIZED COMPANY.]**

Any person, regardless of whether that person is required to be licensed as an insurance agent, who participates in any manner in the sale of any insurance policy or certificate, or any other contract providing benefits, for or on behalf of any company which is required to be, but which is not authorized to engage in the business of insurance in this state, other than pursuant to sections 60A.195 to 60A.209, shall be personally liable for all premiums, whether earned or unearned, paid by the insured, and the premiums may be recovered by the insured. In addition, that person shall be personally

liable for any loss the insured has sustained or may sustain if the loss is one resulting from a risk or hazard covered in the issued policy, certificate, or contract or which would have been covered if the policy, certificate, or contract had been issued to the purchaser of the insurance.

Sec. 19. [60K.17] [AGENTS; VARIABLE CONTRACTS.]

Subdivision 1. [LICENSE REQUIRED.] No person shall sell or offer for sale a contract on a variable basis unless prior to making any solicitation or sale the person has obtained from the commissioner a license therefor. The license shall only be granted, upon the written requisition of an insurer, to a qualified person who holds a current license authorizing the person to solicit and sell life insurance and annuity contracts in this state. To become qualified, a person shall complete a written application on a form prescribed by the commissioner and shall take and pass an examination prescribed by the commissioner.

Subd. 2. [EXCEPTIONS.] (a) Any regularly salaried officer or employee of a licensed insurer may, without license or other qualification, act on behalf of that licensed insurer in the negotiation of a contract on a variable basis, provided that a licensed agent must participate in the sale of any contract.

(b) Any person who, on July 1, 1969, holds a valid license authorizing the person to solicit and sell life insurance and annuity contracts and who also holds a valid license issued by the department of commerce authorizing the person to sell or offer for sale contracts on a variable basis shall be issued a license by the commissioner of commerce upon application therefor and payment of a \$2 fee, which license shall expire on May 31, 1970, unless renewed by an insurer as provided in subdivision 1.

(c) Any person who holds a valid license to solicit and sell life insurance and annuity contracts may solicit and sell contracts on a variable basis without acquiring a license under this subdivision if the contract is based on an account which is excluded from the definition of investment company under the Investment Company Act of 1940, United States Code, title 15, section 80a-3(11).

Subd. 3. [RULES.] The commissioner may by rule waive or modify any of the requirements in this section or prescribe additional requirements considered necessary for the proper sale and solicitation of contracts on a variable basis.

Sec. 20. [60K.18] [ALTERING EXISTING POLICIES; WRITTEN BINDERS REQUIRED.]

An insurance agent having express authority to bind coverage,

who orally agrees on behalf of an insurer to provide insurance coverage, or to alter an existing insurance agreement, shall execute and deliver a written memorandum or binder containing the terms of the oral agreement to the insured within three business days from the time the oral agreement is entered into.

Sec. 21. Minnesota Statutes 1990, section 62A.41, subdivision 4, is amended to read:

Subd. 4. [UNLICENSED SALES.] Notwithstanding section ~~60A.17~~ 60K.02, subdivision 1, paragraph (d), a person who acts or assumes to act as an insurance agent without a valid license for the purpose of selling or attempting to sell Medicare supplement insurance, and the person who aids or abets the actor, is guilty of a felony and is subject to a civil penalty of not more than \$5,000 per violation.

Sec. 22. Minnesota Statutes 1990, section 62C.17, subdivision 5, is amended to read:

Subd. 5. A person shall not be qualified for a license if upon examination or reexamination it is determined that the person is incompetent to act as an agent or solicitor, if the person has acted in any manner which would disqualify a person to hold a license as an insurance agent or solicitor under section ~~60A.17~~, subdivision 6 sections 60K.01 to 60K.18, or if the person fails to produce documents subpoenaed by the commissioner, or fails to appear at a hearing to which the person is a party or has been subpoenaed, if the production of documents or appearance is lawfully required.

Sec. 23. Minnesota Statutes 1990, section 62D.22, subdivision 8, is amended to read:

Subd. 8. All agents, solicitors, and brokers engaged in soliciting or dealing with enrollees or prospective enrollees of a health maintenance organization, whether employees or under contract to the health maintenance organization, shall be subject to the provisions of section ~~60A.17~~ sections 60K.01 to 60K.18, concerning the licensure of health insurance agents, solicitors, and brokers, and lawful rules thereunder. Medical doctors and others who merely explain the operation of health maintenance organizations shall be exempt from the provisions of section ~~60A.17~~ sections 60K.01 to 60K.18. Section ~~60A.17~~ 60K.03, subdivision 1a 2, paragraph (b) shall not apply except as to provide for an examination of an applicant in the applicant's knowledge concerning the operations and benefits of health maintenance organizations and related insurance matters.

Sec. 24. Minnesota Statutes 1990, section 64B.33, is amended to read:



## 64B.33 [LICENSING OF AGENTS.]

Agents of societies shall be licensed in accordance with the provisions of ~~chapter~~ chapters 60A and 60K regulating the licensing, revocation, suspension, or termination of license of resident and nonresident agents, except as otherwise provided in section ~~60A.17, subdivision 1e~~ 60K.05.

Sec. 25. Minnesota Statutes 1990, section 72A.07, is amended to read:

## 72A.07 [VIOLATIONS OF LAWS RELATING TO AGENTS, PENALTIES.]

Any person, firm, or corporation violating, or failing to comply with, any of the provisions of ~~section 60A.17~~ sections 60K.01 to 60K.18 and any person who acts in any manner in the negotiation or transaction of unlawful insurance with an insurance company not licensed to do business in the state, or who, as principal or agent, violates any provision of law relating to the negotiation or effecting of contracts of insurance, shall be guilty of a misdemeanor. Upon the filing of a complaint by the commissioner of commerce in a court of competent jurisdiction against any person violating any provisions of this section, the county attorney of the county in which the violation occurred shall prosecute the person. Upon the conviction of any agent of any violation of the provisions of ~~section 60A.17~~ sections 60K.01 to 60K.18, the commissioner shall suspend the authority of the agent to transact any insurance business within the state for a period of not less than three months. Any insurer employing an agent and failing to procure an appointment, as required by ~~section 60A.17~~ sections 60K.01 to 60K.18, or allowing the agent to transact business for it within the state before an appointment has been procured, shall pay the commissioner, for the use of the state, a penalty of \$25 for each offense. Each sale of an insurance policy by an agent who is not appointed by an insurance company shall constitute a separate offense, but no insurer shall be required to pay more than \$300 in penalties as a result of the activities of a single unappointed agent. In the event of failure to pay a penalty within ten days after notice from the commissioner, the authority of the insurer to do business in this state shall be revoked by the commissioner until the penalty is paid. No insurer whose authority is revoked shall be readmitted until it shall have complied with all the terms and conditions imposed for admission in the first instance. Any action taken by the commissioner under this section shall be subject to review by the district court of the county in which the office of the commissioner is located.

Sec. 26. Minnesota Statutes 1990, section 72A.125, subdivision 2, is amended to read:

Subd. 2. [SALE BY AUTO RENTAL COMPANIES.] An auto

rental company that offers or sells rental vehicle personal accident insurance in this state in conjunction with the rental of a vehicle shall only sell these products if the forms and rates have met the relevant requirements of section 62A.02, taking into account the possible infrequency and severity of loss that may be incurred. Sections ~~60A.17~~ and 60A.1701 and ~~60K.01~~ to 60K.18 do not apply if the persons engaged in the sale of these products are employees of the auto rental company who do not receive commissions or other remuneration for selling the product in addition to their regular compensation. Compensation may not be determined in any part by the sale of insurance products. The auto rental company before engaging in the sale of the product must file with the commissioner the following documents:

(1) an appointment of the commissioner as agent for service of process;

(2) an agreement that the auto rental company assumes all responsibility for the authorized actions of all unlicensed employees who sell the insurance product on its behalf in conjunction with the rental of its vehicles;

(3) an agreement that the auto rental company with respect to itself and its employees will be subject to this chapter regarding the marketing of the insurance products and the conduct of those persons involved in the sale of insurance products in the same manner as if it were a licensed agent.

An auto rental company failing to file the documents in clauses (1) to (3) is guilty of an individual violation as to the unlicensed sale of insurance for each sale that occurs after August 1, 1987, until they make the required filings. Each individual sale after August 1, 1987, and prior to the filing required by this section is subject to, in addition to any other penalties allowable by law, up to a \$200 per violation fine. Further, the sale of the insurance product by an auto rental company or any employee or agent of the company after August 1, 1987, without having complied with this section shall be deemed to be in acceptance of the provisions of this section.

Insurance sold pursuant to this subdivision must be limited in availability to rental vehicle customers though coverage may extend to the customer, other drivers, and passengers using or riding in the rented vehicles; and limited in duration to a period equal to and concurrent with that of the vehicle rental.

Persons purchasing rental vehicle personal accident insurance may be provided a certificate summarizing the policy provisions in lieu of a copy of the policy if a copy of the policy is available for inspection at the place of sale and a free copy of the policy may be obtained from the auto rental company's home office.

The commissioner may, after a hearing, revoke an auto rental company's right to operate under this section if the company has repeatedly violated the insurance laws of this state and the revocation is in the public interest.

Sec. 27. Minnesota Statutes 1990, section 72A.201, subdivision 3, is amended to read:

Subd. 3. [DEFINITIONS.] For the purposes of this section, the following terms have the meanings given them.

(1) Adjuster or adjusters. "Adjuster" or "adjusters" is as defined in section 72B.02.

(2) Agent. "Agent" means insurance agents or insurance agencies licensed pursuant to ~~section 60A.17~~ sections 60K.01 to 60K.18, and representatives of these agents or agencies.

(3) Claim. "Claim" means a request or demand made with an insurer for the payment of funds or the provision of services under the terms of any policy, certificate, contract of insurance, binder, or other contracts of temporary insurance. The term does not include a claim under a health insurance policy made by a participating provider with an insurer in accordance with the participating provider's service agreement with the insurer which has been filed with the commissioner of commerce prior to its use.

(4) Claim settlement. "Claim settlement" means all activities of an insurer related directly or indirectly to the determination of the extent of liabilities due or potentially due under coverages afforded by the policy, and which result in claim payment, claim acceptance, compromise, or other disposition.

(5) Claimant. "Claimant" means any individual, corporation, association, partnership, or other legal entity asserting a claim against any individual, corporation, association, partnership, or other legal entity which is insured under an insurance policy or insurance contract of an insurer.

(6) Complaint. "Complaint" means a communication primarily expressing a grievance.

(7) Insurance policy. "Insurance policy" means any evidence of coverage issued by an insurer including all policies, contracts, certificates, riders, binders, and endorsements which provide or describe coverage. The term includes any contract issuing coverage under a self-insurance plan, group self-insurance plan, or joint self-insurance employee health plans.

(8) Insured. "Insured" means an individual, corporation, associa-

tion, partnership, or other legal entity asserting a right to payment under their insurance policy or insurance contract arising out of the occurrence of the contingency or loss covered by the policy or contract. The term does not apply to a person who acquires rights under a mortgage.

(9) Insurer. "Insurer" includes any individual, corporation, association, partnership, reciprocal exchange, Lloyds, fraternal benefits society, self-insurer, surplus line insurer, self-insurance administrator, and nonprofit service plans under the jurisdiction of the department of commerce.

(10) Investigation. "Investigation" means a reasonable procedure adopted by an insurer to determine whether to accept or reject a claim.

(11) Notification of claim. "Notification of claim" means any communication to an insurer by a claimant or an insured which reasonably apprises the insurer of a claim brought under an insurance contract or policy issued by the insurer. Notification of claim to an agent of the insurer is notice to the insurer.

(12) Proof of loss. "Proof of loss" means the necessary documentation required from the insured to establish entitlement to payment under a policy.

(13) Self-insurance administrator. "Self-insurance administrator" means any vendor of risk management services or entities administering self-insurance plans, licensed pursuant to section 60A.23, subdivision 8.

(14) Self-insured or self-insurer. "Self-insured" or "self-insurer" means any entity authorized pursuant to section 65B.48, subdivision 3; chapter 62H; section 176.181, subdivision 2; Laws of Minnesota 1983, chapter 290, section 171; section 471.617; or section 471.981 and includes any entity which, for a fee, employs the services of vendors of risk management services in the administration of a self-insurance plan as defined by section 60A.23, subdivision 8, clause (2), subclauses (a) and (d).

Sec. 28. Minnesota Statutes 1990, section 270B.07, subdivision 1, is amended to read:

Subdivision 1. [DISCLOSURE TO LICENSING AUTHORITIES.] The commissioner may disclose return information with respect to returns filed under Minnesota tax laws to licensing authorities of the state or political subdivisions of the state to the extent necessary to enforce the license clearance programs under sections ~~60A.17~~ 60K.12, 82.27, 147.091, 148.10, 150A.08, and 270.72.

## Sec. 29. [REVISOR INSTRUCTION.]

(a) The revisor shall recodify Minnesota Statutes, section 60A.1701, as Minnesota Statutes, section 60K.19, and shall make the necessary cross-reference changes in Minnesota Statutes and Minnesota Rules.

(b) If a provision of Minnesota Statutes, chapter 60A, repealed by this article is also amended in the 1992 regular legislative session by other law, the revisor shall recodify the amendment to be part of the recodification, notwithstanding Minnesota Statutes, section 645.30.

## Sec. 30. [REPEALER.]

Minnesota Statutes 1990, sections 60A.05; 60A.051; 60A.17, subdivisions 1, 1a, 1b, 1c, 2c, 2d, 3, 5, 5b, 6, 6b, 6c, 6d, 7a, 8, 8a, 9a, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, and 21; Minnesota Statutes 1991 Supplement, section 60A.17, subdivision 1d, are repealed.

## ARTICLE 4

## Section 1. [60A.085] [CANCELLATION OF GROUP COVERAGE; NOTIFICATION TO COVERED PERSONS.]

(a) No cancellation of any group life, group accidental death and dismemberment, group disability income, or group medical expense policy, plan, or contract is effective unless the insurer has made a good faith effort to notify all covered persons of the cancellation at least 30 days before the effective cancellation date. For purposes of this section, an insurer has made a good faith effort to notify all covered persons if the insurer has notified all the persons included on the list required by paragraph (b) at the home address given and only if the list has been updated within the last 12 months.

(b) At the time of the application for coverage subject to paragraph (a), the insurer shall obtain an accurate list of the names and home addresses of all persons to be covered. The insurer shall obtain an update of the list at least once during each subsequent 12-month period while the policy, plan, or contract is in force.

Sec. 2. Minnesota Statutes 1990, section 62A.146, is amended to read:

## 62A.146 [CONTINUATION OF BENEFITS TO SURVIVORS.]

No policy, contract, or plan of accident and health protection issued by an insurer, nonprofit health service plan corporation, or health maintenance organization, providing coverage of hospital or

medical expense on either an expense incurred basis or other than an expense incurred basis which in addition to coverage of the insured, subscriber, or enrollee, also provides coverage to dependents, shall, except upon the written consent of the survivor or survivors of the deceased insured, subscriber, or enrollee, terminate, suspend, or otherwise restrict the participation in or the receipt of benefits otherwise payable under the policy, contract, or plan to the survivor or survivors until the earlier of the following dates:

(a) the date the surviving spouse becomes covered under another group health plan; or

(b) the date coverage would have terminated under the policy, contract, or plan had the insured, subscriber, or enrollee lived.

The survivor or survivors, in order to have the coverage and benefits extended, may be required to pay the entire cost of the protection on a monthly basis. The policy, contract, or plan must require the group policyholder or contract holder to, upon request, provide the insured, subscriber, or enrollee with written verification from the insurer of the cost of this coverage promptly at the time of eligibility for this coverage and at any time during the continuation period. In no event shall the amount of premium or fee contributions charged exceed 102 percent of the cost to the plan for such period of coverage for other similarly situated spouses and dependent children who are not the survivors of a deceased insured, without regard to whether such cost is paid by the employer or employee. Failure of the survivor to make premium or fee payments within 90 days after notice of the requirement to pay the premiums or fees shall be a basis for the termination of the coverage without written consent. In event of termination by reason of the survivor's failure to make required premium or fee contributions, written notice of cancellation must be mailed to the survivor's last known address at least 30 days before the cancellation. If the coverage is provided under a group policy, contract, or plan, any required premium or fee contributions for the coverage shall be paid by the survivor to the group policyholder or contract holder for remittance to the insurer, non-profit health service plan corporation, or health maintenance organization.

Sec. 3. Minnesota Statutes 1990, section 62A.17, subdivision 2, is amended to read:

Subd. 2. [RESPONSIBILITY OF EMPLOYEE.] Every covered employee electing to continue coverage shall pay the former employer, on a monthly basis, the cost of the continued coverage. The policy, contract, or plan must require the group policyholder or contract holder to, upon request, provide the employee with written verification from the insurer of the cost of this coverage promptly at the time of eligibility for this coverage and at any time during the continuation period. If the policy, contract, or health care plan is

administered by a trust, every covered employee electing to continue coverage shall pay the trust the cost of continued coverage according to the eligibility rules established by the trust. In no event shall the amount of premium charged exceed 102 percent of the cost to the plan for such period of coverage for similarly situated employees with respect to whom neither termination nor layoff has occurred, without regard to whether such cost is paid by the employer or employee. The employee shall be eligible to continue the coverage until the employee becomes covered under another group health plan, or for a period of 18 months after the termination of or lay off from employment, whichever is shorter. If the employee becomes covered under another group policy, contract, or health plan and the new group policy, contract, or health plan contains any preexisting condition limitations, the employee may, subject to the 18-month maximum continuation limit, continue coverage with the former employer until the preexisting condition limitations have been satisfied. The new policy, contract, or health plan is primary except as to the preexisting condition. In the case of a newborn child who is a dependent of the employee, the new policy, contract, or health plan is primary upon the date of birth of the child, regardless of which policy, contract, or health plan coverage is deemed primary for the mother of the child.

Sec. 4. Minnesota Statutes 1990, section 62A.21, subdivision 2a, is amended to read:

Subd. 2a. [CONTINUATION PRIVILEGE.] Every policy described in subdivision 1 shall contain a provision which permits continuation of coverage under the policy for the insured's former spouse and dependent children upon entry of a valid decree of dissolution of marriage. The coverage shall be continued until the earlier of the following dates:

(a) the date the insured's former spouse becomes covered under any other group health plan; or

(b) the date coverage would otherwise terminate under the policy.

If the coverage is provided under a group policy, any required premium contributions for the coverage shall be paid by the insured on a monthly basis to the group policyholder for remittance to the insurer. The policy must require the group policyholder to, upon request, provide the insured with written verification from the insurer of the cost of this coverage promptly at the time of eligibility for this coverage and at any time during the continuation period. In no event shall the amount of premium charged exceed 102 percent of the cost to the plan for such period of coverage for other similarly situated spouses and dependent children with respect to whom the marital relationship has not dissolved, without regard to whether such cost is paid by the employer or employee.

Sec. 5. [62A.285] [PROHIBITED UNDERWRITING; BREAST IMPLANTS.]

Subdivision 1. [SCOPE OF COVERAGE.] This section applies to all policies of accident and health insurance regulated under this chapter, subscriber contracts offered by nonprofit health service plan corporations regulated under chapter 62C, health maintenance contracts regulated under chapter 62D, and health benefit certificates offered through a fraternal benefit society regulated under chapter 64B. This section does not apply to policies, plans, certificates, or contracts payable on a fixed indemnity or nonexpense incurred basis, or policies, plans, certificates, or contracts that provide only accident coverage.

Subd. 2. [REQUIRED COVERAGE.] No policy, plan, certificate, or contract referred to in subdivision 1 shall be issued or renewed to provide coverage to a Minnesota resident if it provides an exclusion, reduction, or other limitation as to coverage, deductible, coinsurance, or copayment applicable solely to conditions caused by breast implants.

Subd. 3. [REFUSAL TO ISSUE OR RENEW.] No issuer of a policy, plan, certificate, or contract referred to in subdivision 1 shall refuse to issue or renew at standard premium rates a policy, plan, certificate, or contract referred to in subdivision 1 solely because the prospective insured or enrollee has breast implants.

Subd. 4. [EXCLUSION PERMITTED.] A policy, plan, certificate, or contract referred to in subdivision 1 may limit or exclude coverage for conditions caused by breast implants, if the conditions were diagnosed prior to the date that coverage for the person begins.

Sec. 6. Minnesota Statutes 1990, section 62C.142, subdivision 2a, is amended to read:

Subd. 2a. [CONTINUATION PRIVILEGE.] Every subscriber contract, other than a contract whose continuance is contingent upon continued employment or membership, shall contain a provision which permits continuation of coverage under the contract for the subscriber's former spouse and children upon entry of a valid decree of dissolution of marriage, if the decree requires the subscriber to provide continued coverage for those persons. The coverage may be continued until the earlier of the following dates:

(a) the date of remarriage of either the subscriber or the subscriber's former spouse; or

(b) the date coverage would otherwise terminate under the subscriber contract.



The contract must require the group contract holder to, upon request, provide the insured with written verification from the insurer of the cost of this coverage promptly at the time of eligibility for this coverage and at any time during the continuation period. In no event shall the amount of premium charged exceed 102 percent of the cost to the plan for such period of coverage for other similarly situated spouses and dependent children with respect to whom the marital relationship has not dissolved, without regard to whether such cost is paid by the employer or employee.

Sec. 7. Minnesota Statutes 1990, section 62D.101, subdivision 2a, is amended to read:

Subd. 2a. [CONTINUATION PRIVILEGE.] Every health maintenance contract as described in subdivision 1 shall contain a provision which permits continuation of coverage under the contract for the enrollee's former spouse and children upon entry of a valid decree of dissolution of marriage. The coverage shall be continued until the earlier of the following dates:

(a) the date the enrollee's former spouse becomes covered under another group plan or Medicare; or

(b) the date coverage would otherwise terminate under the health maintenance contract.

If coverage is provided under a group policy, any required premium contributions for the coverage shall be paid by the enrollee on a monthly basis to the group contract holder to be paid to the health maintenance organization. The contract must require the group contract holder to, upon request, provide the enrollee with written verification from the insurer of the cost of this coverage promptly at the time of eligibility for this coverage and at any time during the continuation period. In no event shall the fee charged exceed 102 percent of the cost to the plan for the period of coverage for other similarly situated spouses and dependent children when the marital relationship has not dissolved, regardless of whether the cost is paid by the employer or employee.

Sec. 8. Minnesota Statutes 1991 Supplement, section 62E.10, subdivision 9, is amended to read:

Subd. 9. [EXPERIMENTAL DELIVERY METHOD.] The association may petition the commissioner of commerce for a waiver to allow the experimental use of alternative means of health care delivery. The commissioner may approve the use of the alternative means the commissioner considers appropriate. The commissioner may waive any of the requirements of this chapter and chapters 60A, 62A, and 62D in granting the waiver. The commissioner may also grant to the association any additional powers as are necessary to

facilitate the specific waiver, including the power to implement a provider payment schedule.

This subdivision is effective until August 1, ~~1992~~ 1993.

Sec. 9. Minnesota Statutes 1991 Supplement, section 62E.12, is amended to read:

**62E.12 [MINIMUM BENEFITS OF COMPREHENSIVE HEALTH INSURANCE PLAN.]**

The association through its comprehensive health insurance plan shall offer policies which provide the benefits of a number one qualified plan, and a number two qualified plan, except that the maximum lifetime benefit on these plans shall be \$1,000,000, and basic and extended basic Medicare supplement plans. The requirement that a policy issued by the association must be a qualified plan is satisfied if the association contracts with a preferred provider network and the level of benefits for services provided within the network satisfies the requirements of a qualified plan. If the association uses a preferred provider network, payments to nonparticipating providers must meet the minimum requirements of section 72A.20, subdivision 15. They shall offer health maintenance organization contracts in those areas of the state where a health maintenance organization has agreed to make the coverage available and has been selected as a writing carrier. Notwithstanding the provisions of section 62E.06 the state plan shall exclude coverage of services of a private duty nurse other than on an inpatient basis and any charges for treatment in a hospital located outside of the state of Minnesota in which the covered person is receiving treatment for a mental or nervous disorder, unless similar treatment for the mental or nervous disorder is medically necessary, unavailable in Minnesota and provided upon referral by a licensed Minnesota medical practitioner.

Sec. 10. Minnesota Statutes 1990, section 65B.133, is amended by adding a subdivision to read:

Subd. 5a. [LIMITATION ON CHARGEABLE ACCIDENTS.] No accident is a chargeable accident for purposes of this section unless it meets the definition of a chargeable accident under Minnesota Rules 1991, part 2770.7700, subpart 2.

Sec. 11. Minnesota Statutes 1990, section 65B.133, subdivision 7, is amended to read:

Subd. 7. [COMMISSIONER MAY PROMULGATE RULES RULE-MAKING.] (a) The commissioner may ~~promulgate~~ adopt rules reasonably necessary to carry out and make effective this section.

(b) The commissioner shall adopt rules establishing surcharge rates for the first and each successive accident or traffic violation. The rules may create a grading system in which each chargeable accident or violation is assigned a certain number of points to determine the maximum allowable surcharge rate.

For collision losses, the rules must require an insurer that recovers 80 percent or more of the insurer's loss through subrogation to immediately refund any surcharges imposed as a result of this loss.

If the insured cannot be located after reasonable effort, the refund is presumed abandoned for purposes of disposition under the uniform disposition of unclaimed property act, sections 345.31 to 345.60.

Sec. 12. Minnesota Statutes 1990, section 72A.20, is amended by adding a subdivision to read:

Subd. 28. [CONVERSION FEES PROHIBITED.] An issuer providing health coverage through conversion policies, plans, or contracts shall not impose a fee or charge, other than the premium, for issuing these policies, plans, or contracts.

Sec. 13. [EFFECTIVE DATE.]

Sections 5 and 11 are effective the day following final enactment.

## ARTICLE 5

Section 1. Minnesota Statutes 1990, section 47.016, subdivision 1, is amended to read:

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

(b) "Credit insurance" means credit life and<sub>2</sub> accident and health insurance, and credit unemployment insurance as defined in section 62B.02.

(c) "Officer," "director," "employee," and "shareholder" include the spouse and minor children of the officer, director, employee, or shareholder.

(d) "Interest" includes ownership through a spouse or minor children; ownership through a broker, nominee, or agent; and ownership through a corporation, partnership, association, joint venture, or proprietorship.

(e) "Financial institution" means any person who lends money and sells credit insurance to the borrower.

Sec. 2. Minnesota Statutes 1990, section 48.185, subdivision 4, is amended to read:

Subd. 4. No charges other than those provided for in subdivision 3 shall be made directly or indirectly for any credit extended under the authority of this section, except that there may be charged to the debtor:

(a) annual charges, not to exceed \$50 per annum, payable in advance, for the privilege of using a bank credit card;

(b) charges for premiums on credit life and, credit accident and health, and credit unemployment insurance if:

(1) the insurance is not required by the financial institution and this fact is clearly disclosed in writing to the debtor; and

(2) the debtor is notified in writing of the cost of the insurance and affirmatively elects, in writing, to purchase the insurance;

(c) charges for the use of an automated teller machine when cash advances are obtained pursuant to this section through the use of an automated teller machine;

(d) in the case of a financial institution referred to in subdivision 1 that does not charge an annual fee, delinquency and collection charges as follows:

(1) on each payment in arrears for a period not less than ten days, in an amount not in excess of the delinquency and collection charge permitted in section 168.71;

(2) for any monthly or other periodic payment period where the debtor has exceeded or thereby exceeds the maximum approved credit limit under the open-end loan account arrangement, in an amount not in excess of the service charge limitations in section 332.50; and

(3) for any returned check or returned automatic payment withdrawal request, in an amount not in excess of the service charge limitation in section 332.50; and

(e) to the extent not otherwise prohibited by law, charges for other goods or services offered by or through a financial institution referred to in subdivision 1 which the debtor elects to purchase, including, but not limited to, charges for check and draft copies and for the replacement of lost or stolen cards.

Sec. 3. Minnesota Statutes 1991 Supplement, section 52.04, subdivision 1, is amended to read:

Subdivision 1. A credit union has the following powers:

(1) to offer its members and other credit unions various classes of shares, share certificates, deposits, or deposit certificates;

(2) to receive the savings of its members either as payment on shares or as deposits, including the right to conduct Christmas clubs, vacation clubs, and other thrift organizations within its membership. Trust funds received by a real estate broker or the broker's salespersons in trust may be deposited in a credit union;

(3) to make loans to members for provident or productive purposes as provided in section 52.16;

(4) to make loans to a cooperative society or other organization having membership in the credit union;

(5) to deposit in state and national banks and trust companies authorized to receive deposits;

(6) to invest in any investment legal for savings banks or for trust funds in the state and, notwithstanding clause (3), to invest in and make loans of unsecured days funds (federal funds or similar unsecured loans) to financial institutions insured by an agency of the federal government and a member of the Federal Reserve System or required to maintain reserves at the Federal Reserve;

(7) to borrow money as hereinafter indicated;

(8) to adopt and use a common seal and alter the same at pleasure;

(9) to make payments on shares of and deposit with any other credit union chartered by this or any other state or operating under the provisions of the federal Credit Union Act, in amounts not exceeding in the aggregate 25 percent of its unimpaired assets. However, payments on shares of and deposit with credit unions chartered by other states are restricted to credit unions insured by the National Credit Union Administration. The restrictions imposed by this clause do not apply to share accounts and deposit accounts of the Minnesota corporate credit union in United States central credit union or to share accounts and deposit accounts of credit unions in the Minnesota corporate credit union;

(10) to contract with any licensed insurance company or society to insure the lives of members to the extent of their share accounts, in whole or in part, and to pay all or a portion of the premium therefor;

(11) to indemnify each director, officer, or committee member, or former director, officer, or committee member against all expenses, including attorney's fees but excluding amounts paid pursuant to a judgment or settlement agreement, reasonably incurred in connection with or arising out of any action, suit, or proceeding to which that person is a party by reason of being or having been a director, officer, or committee member of the credit union, except with respect to matters as to which that person is finally adjudged in the action, suit, or proceeding to be liable for negligence or misconduct in the performance of duties. The indemnification is not exclusive of any other rights to which that person may be entitled under any bylaw, agreement, vote of members, or otherwise;

(12) upon written authorization from a member, retained at the credit union, to make payments to third parties by withdrawals from the member's share or deposit accounts or through proceeds of loans made to such member, or by permitting the credit union to make those payments from the member's funds prior to deposit; to permit draft withdrawals from member accounts, but a credit union proposing to permit draft withdrawals shall notify the commissioner of commerce, in the form prescribed, of its intent not less than 90 days prior to authorizing draft withdrawals. The board of directors of a credit union may restrict one class of shares to the extent that it may not be redeemed, withdrawn, or transferred except upon termination of membership in the credit union;

(13) to inform its members as to the availability of various group purchasing plans which are related to the promotion of thrift or the borrowing of money for provident and productive purposes by means of informational materials placed in the credit union's office, through its publications, or by direct mailings to members by the credit union;

(14) to facilitate its members' voluntary purchase of types of insurance incidental to promotion of thrift or the borrowing of money for provident and productive purposes including, but not limited to the following types of group or individual insurance: Fire, theft, automobile, life and temporary disability; to be the policy holder of a group insurance plan or a subgroup under a master policy plan and to disseminate information to its members concerning the insurance provided thereunder; to remit premiums to an insurer or the holder of a master policy on behalf of a credit union member, if the credit union obtains written authorization from the member for remittance by share or deposit withdrawals or through proceeds of loans made by the members, or by permitting the credit union to make the payments from the member's funds prior to deposit; and to accept from the insurer reimbursement for expenses incurred or in the case of credit life and, accident and health, and unemployment insurance within the meaning of chapter 62B commissions for the handling of the insurance. The amount reimbursed or the commissions received may constitute the general income of

the credit union. The directors, officers, committee members and employees of a credit union shall not profit on any insurance sale facilitated through the credit unions;

(15) to contract with another credit union to furnish services which either could otherwise perform. Contracted services under this clause are subject to regulation and examination by the commissioner of commerce like other services;

(16) in furtherance of the twofold purpose of promoting thrift among its members and creating a source of credit for them at legitimate rates of interest for provident purposes, and not in limitation of the specific powers hereinbefore conferred, to have all the powers enumerated, authorized, and permitted by this chapter, and such other rights, privileges and powers incidental to, or necessary for, the accomplishment of the objectives and purposes of the credit union;

(17) to rent safe deposit boxes to its members if the credit union obtains adequate insurance or bonding coverage for losses which might result from the rental of safe deposit boxes;

(18) notwithstanding the provisions of section 52.05, to accept deposits of public funds in an amount secured by insurance or other means pursuant to chapter 118 or section 9.031;

(19) to accept and maintain treasury tax and loan accounts of the United States and to pledge collateral to secure the treasury tax or loan accounts, in accordance with the regulations of the Department of Treasury of the United States;

(20) to accept deposits pursuant to section 149.12, notwithstanding the provisions of section 52.05, if the deposits represent funding of prepaid funeral plans of members;

(21) to sell, in whole or in part, real estate secured loans provided that:

(a) the loan is secured by a first lien;

(b) the board of directors approves the sale;

(c) if the sale is partial, the agreement to sell a partial interest shall, at a minimum:

(i) identify the loan or loans covered by the agreement;

(ii) provide for the collection, processing, remittance of payments of principal and interest, taxes and insurance premiums and other charges or escrows, if any;

(iii) define the responsibilities of each party in the event the loan becomes subject to collection, loss or foreclosure;

(iv) provide that in the event of loss, each owner shall share in the loss in proportion to its interest in the loan or loans;

(v) provide for the distribution of payments of principal to each owner proportionate to its interest in the loan or loans;

(vi) provide for loan status reports;

(vii) state the terms and conditions under which the agreement may be terminated or modified; and

(d) the sale is without recourse or repurchase unless the agreement:

(i) requires repurchase of a loan because of any breach of warranty or misrepresentation;

(ii) allows the seller to repurchase at its discretion; or

(iii) allows substitution of one loan for another;

(22) in addition to the sale of loans secured by a first lien on real estate, to sell, pledge, discount, or otherwise dispose of, in whole or in part, to any source, a loan or group of loans, other than a self-replenishing line of credit; provided, that within a calendar year beginning January 1 the total dollar value of loans sold, other than loans secured by real estate or insured by a state or federal agency, shall not exceed 25 percent of the dollar amount of all loans and participating interests in loans held by the credit union at the beginning of the calendar year, unless otherwise authorized in writing by the commissioner;

(23) to designate the par value of the shares of the credit union by board resolution;

(24) to exercise by resolution the powers set forth in United States Code, title 12, section 1757, as amended through August 1, 1985. Before exercising each power, the board must submit a plan to the commissioner of commerce detailing implementation of the power to be used;

(25) to offer self-directed individual retirement accounts and Keogh accounts and act as custodian and trustee of these accounts if:

(1) all contributions of funds are initially made to a deposit, share or share certificate account in the credit union;



(2) any subsequent transfer of funds to other assets is solely at the direction of the member and the credit union exercises no investment discretion and provides no investment advice with respect to plan assets; and

(3) the member is clearly notified of the fact that National Credit Union Share Insurance Fund coverage is limited to funds held in deposit, share or share certificate accounts of National Credit Union Share Insurance Fund-insured credit unions.

Sec. 4. Minnesota Statutes 1990, section 56.125, subdivision 3, is amended to read:

Subd. 3. [CHARGES.] In addition to the charges authorized in subdivision 1, a licensee may contract for and receive in connection with an open-end loan agreement the additional charges, fees, costs, and expenses with respect to the line of credit limit permitted by sections 56.131, subdivisions 1, paragraph (f), clauses (4) and (5), 2, 5, and 6; and 56.155 with respect to other loans, with the following variations:

(1) If credit life ~~or~~, disability, or unemployment insurance is provided and if the insured dies ~~or~~, becomes disabled, or becomes unemployed when there is an outstanding open-end loan indebtedness, the amount of the insurance may not exceed the total balance of the loan due on the date of the borrower's death or on the date of the last billing statement in the case of credit life insurance, or all minimum payments which become due on the loan during the covered period of disability in the case of credit disability insurance, or during the covered period of unemployment in the case of credit unemployment insurance. The additional charge for credit life insurance ~~or~~, credit disability insurance, or credit unemployment insurance must be calculated in each billing cycle by applying the current monthly premium rate for the insurance to the unpaid balances in the borrower's account.

(2) The amount, terms, and conditions of any credit insurance against loss or damage to property must be reasonable in relation to the character and value of the property insured.

Sec. 5. Minnesota Statutes 1990, section 56.155, subdivision 1, is amended to read:

Subdivision 1. [AUTHORIZATION.] No licensee shall, directly or indirectly, sell or offer for sale any insurance in connection with any loan made under this chapter except as and to the extent authorized by this section. The sale of credit life ~~and~~, credit accident and health, and credit unemployment insurance is subject to the provisions of chapter 62B, except that the term of the insurance may exceed 60 months if the term of the loan exceeds 60 months. Life, accident, ~~and~~ health, and unemployment insurance, or any of them, may be

written upon or in connection with any loan but must not be required as additional security for the indebtedness. If the debtor chooses to procure credit life insurance or, credit accident and health insurance, or credit unemployment insurance as security for the indebtedness, the debtor shall have the option of furnishing this security through existing policies of insurance that the debtor owns or controls, or of furnishing the coverage through any insurer authorized to transact business in this state. A statement in substantially the following form must be made orally and provided in writing in bold face type of a minimum size of 12 points to the borrower before the transaction is completed for each credit life and, accident and health, and unemployment insurance coverage sold:

**CREDIT LIFE INSURANCE AND, CREDIT DISABILITY INSURANCE, AND CREDIT UNEMPLOYMENT INSURANCE ARE NOT REQUIRED TO OBTAIN CREDIT. YOU MAY BUY ANY INSURANCE FROM ANYONE YOU CHOOSE OR YOU MAY USE EXISTING INSURANCE.**

The licensee shall disclose whether or not the benefits commence as of the first day of disability or unemployment and shall further disclose the number of days that an insured obligor must be disabled or unemployed, as defined in the policy, before benefits, whether retroactive or nonretroactive, commence. In case there are multiple obligors under a transaction subject to this chapter, no policy or certificate of insurance providing credit accident and health or credit unemployment benefits may be procured by or through a licensee upon more than one of the obligors. In case there are multiple obligors under a transaction subject to this chapter, no policy or certificate of insurance providing credit life insurance may be procured by or through a licensee upon more than two of the obligors in which case they shall be insured jointly. The premium or identifiable charge for the insurance must not exceed that filed by the insurer with the department of commerce. The charge, computed at the time the loan is made for a period not to exceed the full term of the loan contract on an amount not to exceed the total amount required to pay principal and charges, may be deducted from the proceeds or may be included as part of the principal of any loan. If a borrower procures insurance by or through a licensee, the statement required by section 56.14 must disclose the cost to the borrower and the type of insurance, and the licensee shall cause to be delivered to the borrower a copy of the policy, certificate, or other evidence thereof, within a reasonable time. No licensee shall decline new or existing insurance which meets the standards set out in this section nor prevent any obligor from obtaining this insurance coverage from other sources. Notwithstanding any other provision of this chapter, any gain or advantage to the licensee or to any employee, affiliate, or associate of the licensee from this insurance or the sale or provision thereof is not an additional or further charge in connection with the loan; nor are any of the provisions pertaining to insurance contained in this section prohibited by any other provision of this chapter.

Sec. 6. Minnesota Statutes 1990, section 60A.17, subdivision 1a, is amended to read:

Subd. 1a. [LICENSE APPLICATION.] (a) [PROCEDURE.] An application for a license to act as an insurance agent shall be made to the commissioner by the person who seeks to be licensed. The application for license shall be accompanied by a written appointment from an admitted insurer authorizing the applicant to act as its agent under one or both classes of license. The insurer must also submit its check payable to the state treasurer for the amount of the appointment fee prescribed by section 60A.14, subdivision 1, paragraph (c), clause (9) at the time the agent becomes licensed. The application and appointment shall be on forms prescribed by the commissioner.

If the applicant is a natural person, no license shall be issued until that natural person has become qualified.

If the applicant is a partnership or corporation, no license shall be issued until at least one natural person who is a partner, director, officer, stockholder, or employee shall be licensed as an insurance agent.

(b) [RESIDENT AGENT.] The commissioner shall issue a resident insurance agent's license to a qualified resident of this state as follows:

(1) a person may qualify as a resident of this state if that person resides in this state or the principal place of business of that person is maintained in this state. Application for a license claiming residency in this state for licensing purposes, shall constitute an election of residency in this state. Any license issued upon an application claiming residency in this state shall be void if the licensee, while holding a resident license in this state, also holds, or makes application for, a resident license in, or thereafter claims to be a resident of, any other state or jurisdiction or if the licensee ceases to be a resident of this state; provided, however, if the applicant is a resident of a community or trade area, the border of which is contiguous with the state line of this state, the applicant may qualify for a resident license in this state and at the same time hold a resident license from the contiguous state;

(2) the commissioner shall subject each applicant who is a natural person to a written examination as to the applicant's competence to act as an insurance agent. The examination shall be held at a reasonable time and place designated by the commissioner;

(3) the examination shall be approved for use by the commissioner and shall test the applicant's knowledge of the lines of insurance, policies, and transactions to be handled under the class of license

applied for, of the duties and responsibilities of the licensee, and pertinent insurance laws of this state;

(4) the examination shall be given only after the applicant has completed a program of classroom studies in a school, which shall not include a school sponsored by, offered by, or affiliated with an insurance company or its agents; except that this limitation does not preclude a bona fide professional association of agents, not acting on behalf of an insurer, from offering courses. The course of study shall consist of 30 hours of classroom study devoted to the basic fundamentals of insurance for those seeking a Minnesota license for the first time, 15 hours devoted to specific life and health topics for those seeking a life and health license, and 15 hours devoted to specific property and casualty topics for those seeking a property and casualty license. The program of studies or study course shall have been approved by the commissioner in order to qualify under this clause. If the applicant has been previously licensed for the particular line of insurance in the state of Minnesota, the requirement of a program of studies or a study course shall be waived. A certification of compliance by the organization offering the course shall accompany the applicant's license application. This program of studies in a school or a study course shall not apply to farm property perils and farm liability applicants, or to agents writing such other lines of insurance as the commissioner may exempt from examination by order;

(5) the applicant must pass the examination with a grade determined by the commissioner to indicate satisfactory knowledge and understanding of the class or classes of insurance for which the applicant seeks qualification. The commissioner shall inform the applicant as to whether or not the applicant has passed;

(6) an applicant who has failed to pass an examination may take subsequent examinations. Examination fees for subsequent examinations shall not be waived; and

(7) any applicant for a license covering the same class or classes of insurance for which the applicant was licensed under a similar license in this state, other than a temporary license, within the three years preceding the date of the application shall be exempt from the requirement of a written examination, unless the previous license was revoked or suspended by the commissioner. An applicant whose license is not renewed under subdivision 20 is exempt from the requirement of a written examination.

(c) [NONRESIDENT AGENT.] The commissioner shall issue a nonresident insurance agent's license to a qualified person who is a resident of another state or country as follows:

(1) A person may qualify for a license under this section as a nonresident only if that person holds a license in another state,

province of Canada, or other foreign country which, in the opinion of the commissioner, qualifies that person for the same activity as that for which a license is sought;

(2) The commissioner shall not issue a license to any nonresident applicant until that person files with the commissioner a designation of the commissioner and the commissioner's successors in office as the applicant's true and lawful attorney upon whom may be served all lawful process in any action, suit, or proceeding instituted by or on behalf of any interested person arising out of the applicant's insurance business in this state. This designation shall constitute an agreement that this service of process is of the same legal force and validity as personal service of process in this state upon that applicant.

Service of process upon any licensee in any action or proceeding commenced in any court of competent jurisdiction of this state may be made by serving the commissioner with appropriate copies of the process along with payment of the fee pursuant to section 60A.14, subdivision 1, paragraph (c), clause (4). The commissioner shall forward a copy of the process by registered or certified mail to the licensee at the last known address of record or principal place of business of the licensee; and

(3) A nonresident license shall terminate automatically when the resident license for that class of license in the state, province, or foreign country in which the licensee is a resident is terminated for any reason.

(d) [DENIAL.] (1) If the commissioner finds that an applicant for a resident or nonresident license has not fully met the requirements for licensing, the commissioner shall refuse to issue the license and shall promptly give written notice to both the applicant and the appointing insurer of the denial, stating the grounds for the denial. All fees which accompanied the application and appointment shall be deemed earned and shall not be refundable.

(2) The commissioner may also deny issuance of a license for any cause that would subject the license of a licensee to suspension or revocation. If a license is denied pursuant to this clause, the provisions of subdivision 6c, paragraph (c), apply.

(3) The applicant may make a written demand upon the commissioner for a hearing within 30 days of the denial of a license to determine whether the reasons stated for the denial were lawful. The hearing shall be held pursuant to chapter 14.

(e) [TERM.] All licenses issued pursuant to this section shall remain in force until voluntarily terminated by the licensee, not renewed as prescribed in subdivision 1d, or until suspended or revoked by the commissioner. A voluntary termination shall occur

when the license is surrendered to the commissioner with the request that it be terminated or when the licensee dies, or when the licensee is dissolved or its existence is terminated. In the case of a nonresident license, a voluntary termination shall also occur upon the happening of the event described in paragraph (c), clause (3).

Every licensed agent shall notify the commissioner within 30 days of any change of name, address, or information contained in the application.

(f) [SUBSEQUENT APPOINTMENTS.] A person who holds a valid agent's license from this state may solicit applications for insurance on behalf of an admitted insurer with which the licensee does not have a valid appointment on file with the commissioner; provided, that the licensee has permission from the insurer to solicit insurance on its behalf and, provided further, that the insurer upon receipt of the application for insurance submits a written notice of appointment to the commissioner accompanied by its check payable to the state treasurer in the amount of the appointment fee prescribed by section 60A.14, subdivision 1, paragraph (c), clause (9). The notice of appointment shall be on a form prescribed by the commissioner.

(g) [AMENDMENT OF LICENSE.] An application to the commissioner to amend a license to reflect a change of name, or to include an additional class of license, or for any other reason, shall be on forms provided by the commissioner and shall be accompanied by the applicant's surrendered license and a check payable to the state treasurer for the amount of fee specified in section 60A.14, subdivision 1, paragraph (c).

An applicant who surrenders an insurance license pursuant to this clause retains licensed status until an amended license is received.

(h) [EXCEPTIONS.] The following are exempt from the general licensing requirements prescribed by this section:

(1) agents of township mutuals who are exempted pursuant to subdivision 1b;

(2) fraternal beneficiary association representatives exempted pursuant to subdivision 1c;

(3) any regular salaried officer or employee of a licensed insurer, without license or other qualification, may act on behalf of that licensed insurer in the negotiation of insurance for that insurer; provided that a licensed agent must participate in the sale of any such insurance;

(4) employers and their officers or employees, and the trustees or employees of any trust plan, to the extent that the employers, officers, employees, or trustees are engaged in the administration or operation of any program of employee benefits for the employees of the employers or employees of their subsidiaries or affiliates involving the use of insurance issued by a licensed insurance company; provided, that the activities of the officers, employees and trustees are incidental to clerical or administrative duties and their compensation does not vary with the volume of insurance or applications therefor;

(5) employees of a creditor who enroll debtors for life ~~or~~, accident and health, or unemployment insurance; provided the employees receive no commission or fee therefor;

(6) clerical or administrative employees of an insurance agent who take insurance applications or receive premiums in the office of their employer, if the activities are incidental to clerical or administrative duties and the employee's compensation does not vary with the volume of the applications or premiums; and

(7) rental vehicle companies and their employees in connection with the offer of rental vehicle personal accident insurance under section 72A.125.

Sec. 7. Minnesota Statutes 1990, section 60A.1701, subdivision 3, is amended to read:

Subd. 3. [EXEMPTIONS.] This section does not apply to:

(a) persons soliciting or selling solely on behalf of companies organized and operating according to chapter 67A; or

(b) persons holding life and health, or property and casualty licenses who, by February 28 of each year, certify to the commissioner in writing that they will sell only credit life, credit health, credit unemployment, and credit property insurance, during that year and do in fact so limit their sale of insurance.

Sec. 8. Minnesota Statutes 1990, section 62B.01, is amended to read:

62B.01 [SCOPE.]

All life insurance ~~and~~, accident and health insurance, and unemployment insurance in connection with loan or other credit transactions shall be subject to the provisions of sections 62B.01 to 62B.14, except mortgage life, mortgage accidental death, and mortgage disability insurance. Insurance shall not be subject to the provisions of sections 62B.01 to 62B.14 where its issuance is an isolated

transaction on the part of the insurer not related to an agreement or a plan for insuring debtors of the creditor. Credit life ~~and~~, accident and health, and unemployment insurance provided at no additional cost to the borrower shall not be subject to the provisions of sections 62B.01 to 62B.14.

Sec. 9. Minnesota Statutes 1990, section 62B.02, is amended by adding a subdivision to read:

Subd. 3a. "Credit unemployment insurance" means insurance on a debtor to provide indemnity for payments becoming due on a specific loan or other credit transaction while the debtor is unemployed as defined in the policy.

Sec. 10. Minnesota Statutes 1990, section 62B.03, is amended to read:

**62B.03 [FORMS OF CREDIT LIFE INSURANCE AND CREDIT ACCIDENT AND HEALTH INSURANCE.]**

Credit life insurance ~~and~~, credit accident and health insurance, and credit unemployment insurance shall be issued only in the following forms:

(1) Individual policies of life insurance issued to debtors on the term plan;

(2) Individual policies of accident and health insurance issued to debtors on a term plan or disability benefit provisions in individual policies of credit life insurance;

(3) Group policies of life insurance issued to creditors providing insurance upon the lives of debtors on the term plan;

(4) Group policies of accident and health insurance issued to creditors on a term plan insuring debtors or disability benefit provisions in group credit life insurance policies to provide such coverage;

(5) Individual policies of unemployment insurance issued to debtors on the term plan;

(6) Group policies of unemployment insurance issued to creditors on a term plan insuring debtors.

Sec. 11. Minnesota Statutes 1990, section 62B.04, subdivision 2, is amended to read:

Subd. 2. [CREDIT ACCIDENT AND HEALTH INSURANCE AND CREDIT UNEMPLOYMENT INSURANCE.] The total



amount of periodic indemnity payable by credit accident and health insurance in the event of disability, as defined in the policy, or by credit unemployment insurance in the event of unemployment, as defined in the policy, shall not exceed the aggregate of the periodic scheduled unpaid installments of the indebtedness; and the amount of each periodic indemnity payment shall not exceed the original indebtedness divided by the number of periodic installments.

Sec. 12. Minnesota Statutes 1990, section 62B.05, is amended to read:

**62B.05 [TERM OF CREDIT LIFE INSURANCE AND CREDIT ACCIDENT AND HEALTH INSURANCE.]**

The term of any credit life insurance ~~or~~ credit accident and health insurance, or credit unemployment insurance shall, subject to acceptance by the insurer, commence on the date when the debtor becomes obligated to the creditor, except that, where a group policy provides coverage with respect to existing obligations, the insurance on a debtor with respect to the indebtedness shall commence on the effective date of the policy. Where evidence of insurability is required and the evidence is furnished more than 30 days after the date when the debtor becomes obligated to the creditor, the term of the insurance may commence on the date on which the insurance company determines the evidence to be satisfactory, and in that event there shall be an appropriate refund or adjustment of any charge to the debtor for insurance. The term of the insurance shall not extend more than 15 days beyond the scheduled maturity date of the indebtedness except when extended without additional cost to the debtor.

If an indebtedness is prepaid in full before its scheduled maturity, except by performance of the insurer's obligation under the policy, the insurance shall be deemed canceled and a refund shall be paid or credited as provided in section 62B.08. Upon prepayment in full, the creditor shall make the refund of unearned premium, unless the credit insurance was originated by a third party, in which case the creditor shall promptly notify the third party who shall make the refund.

Sec. 13. Minnesota Statutes 1990, section 62B.06, subdivision 1, is amended to read:

Subdivision 1. All credit life insurance ~~and~~ credit accident and health insurance, and credit unemployment insurance shall be evidenced by an individual policy, memorandum copy, or in the case of group insurance by a certificate of insurance, which shall be delivered to the debtor.

Sec. 14. Minnesota Statutes 1990, section 62B.06, subdivision 2, is amended to read:

Subd. 2. Each individual policy or group certificate of credit life insurance, ~~or~~ credit accident and health insurance, or credit unemployment insurance, shall, in addition to other requirements of law, set forth the name and home office address of the insurer, the name or names of the debtor or in the case of a certificate under a group policy, the identity by name or otherwise of the debtor, the rate or amount of payment, if any, by the debtor separately for credit life insurance ~~and~~, credit accident and health insurance, and credit unemployment insurance, a description of the amount, term and coverage including any exceptions, limitations and restrictions, and shall state that the benefits shall be paid to the creditor to reduce or extinguish the unpaid indebtedness and, wherever the amount of insurance may exceed the unpaid indebtedness, that any such excess shall be payable to a beneficiary, other than the creditor, named by the debtor or to the debtor's estate. No individual or group policy of credit accident and health insurance or credit unemployment insurance issued, amended, renewed, or delivered in this state on or after January 1, 1976 shall contain any provision offsetting, or in any other manner reducing any benefit under the policy by the amount of, or in proportion to, any increase in disability or other benefits received or receivable under the federal Social Security Act, as amended subsequent to the date of commencement of such benefit.

Sec. 15. Minnesota Statutes 1990, section 62B.06, subdivision 4, is amended to read:

Subd. 4. If the individual policy or group certificate of insurance is not delivered to the debtor at the time the indebtedness is incurred, a copy of the application for the policy or a notice of proposed insurance, signed by the debtor and setting forth the name and home office address of the insurer, the name or names of the debtor, the premium or amount of payment by the debtor, if any, separately for credit life insurance ~~and~~, credit accident and health insurance, and credit unemployment insurance, the amount, term and a brief description of the coverage provided, shall be delivered to the debtor at the time the indebtedness is incurred. The copy of the application for, or notice of proposed insurance, shall also refer exclusively to insurance coverage, and shall be separate and apart from the loan, sale or other credit statement of account, instrument or agreement, unless the information required by this subdivision is prominently set forth therein. Upon acceptance of the insurance by the insurer and within 30 days of the date on which the indebtedness is incurred, the insurer shall cause the individual policy or group certificate of insurance to be delivered to the debtor. The application or notice of proposed insurance shall state that upon acceptance by the insurer, the insurance shall become effective as provided in section 62B.05. If an application for a policy or a notice of proposed insurance is not delivered at the time the indebtedness is incurred as required by this subdivision, the creditor shall assume all of the liabilities under such insurance until an insurer accepts the risk.

## Sec. 16. [62B.065] [DISCLOSURE OF COVERAGE FEATURES.]

At the time of any offer of credit unemployment insurance to a resident of this state, the person making the offer shall provide to the person receiving the offer, on a separate sheet of paper, a notice disclosing the following aspects of the policy:

- (1) the definition of unemployment;
- (2) the period of time, if any, between the beginning of unemployment and the beginning of eligibility for payments;
- (3) the period of time during which payments will be made; and
- (4) the nature of the payments that will be made, including a statement of whether the debt will be paid in full.

No disclosure notice required by this section may be used unless it has been filed with and approved by the commissioner.

Sec. 17. Minnesota Statutes 1990, section 62B.07, subdivision 2, is amended to read:

Subd. 2. The commissioner shall within 60 days after the filing of policies, certificates of insurance, notices of proposed insurance, applications for insurance, endorsements and riders, disapprove any such form if the premium rates charged or to be charged are excessive in relation to benefits, or if it contains provisions which are unjust, unfair, inequitable, misleading, deceptive or encourage misrepresentation of the coverage, or are contrary to any provision of the insurance laws or of any rule promulgated thereunder. In order to determine whether the premium to be charged under a particular policy form submitted by an insurer is excessive in relation to benefits, and to facilitate the submission and approval of policy forms and premium rates to be used in connection therewith, the commissioner shall give full consideration to and make reasonable allowances for underwriting expenses including, but not limited to, claim adjustment expenses, general administrative expenses including costs for handling return premiums, compensation to agents, expense allowances to creditors, if any, branch and field expenses and other acquisition costs, the types of policies actually issued and authorized as defined in section 62B.03, (1), (2), (3) ~~and~~, (4), (5), and (6), and any and all other factors and trends demonstrated to be relevant, except as otherwise required by section 62B.071. An insurer may support these factors by statistical information, experience, actuarial computations, and/or estimates certified by an executive officer of the insurer, and the commissioner shall give due consideration to such supporting data.

Sec. 18. Minnesota Statutes 1990, section 62B.07, subdivision 6, is amended to read:

Subd. 6. If a group policy of credit life insurance ~~or~~ credit accident and health insurance, or credit unemployment insurance

(1) has been delivered in this state before May 28, 1967, or

(2) has been or is delivered in another state before or after May 28, 1967, the insurer shall be required to file only the group certificate and notice of proposed insurance delivered or issued for delivery in this state as specified in subdivisions 2 and 4 of section 62B.06 and the forms shall be approved by the commissioner if they conform to the requirements specified in those subdivisions and if the schedules of premium rates applicable to the insurance evidenced by the certificate or notice are not in excess of the insurer's schedules of premium rates filed with the commissioner; provided, however, the premium rate in effect on existing group policies may be continued until the first policy anniversary date following the date this act is effective as provided in section 62B.12.

Sec. 19. [62B.071] [MINIMUM LOSS RATIO.]

(a) Each individual and group policy form for credit life, credit accident and health, and credit unemployment insurance must return to Minnesota policyholders and certificate holders in the form of aggregate benefits under the policy or certificate, for each year, on the basis of claims incurred and premiums earned in Minnesota and in accordance with accepted actuarial principles and practices, at least the percent provided in paragraph (c) of the aggregate amount of premiums earned.

(b) Policies and certificates subject to this section are also subject to the requirements, penalties, and remedies applicable to Medicare supplement policies, as set forth in Minnesota Statutes 1990, section 62A.36, subdivisions 1a, 1b, and 2. The first supplement to the annual statement required to be filed under this paragraph is for the annual statement required to be submitted on or after January 1, 1993, for credit unemployment insurance and January 1, 1994, for credit life and credit accident and health insurance.

(c) The minimum loss ratio required in paragraph (a) is 50 percent through December 31, 1993; 55 percent from January 1, 1994 to December 31, 1995; and 60 percent beginning January 1, 1996. For credit life and credit accident and health insurance, this section does not apply until January 1, 1993. The dates in this paragraph apply to the date that a policy is issued or renewed.

Sec. 20. Minnesota Statutes 1990, section 62B.08, subdivision 1, is amended to read:

Subdivision 1. An insurer may revise its schedules or premium rates from time to time, and shall file such revised schedules with the commissioner. No insurer shall issue any credit life insurance policy ~~or~~<sub>1</sub> credit accident and health insurance policy, or credit unemployment insurance policy for which the premium rate exceeds that determined by the schedules of the insurer then on file with the commissioner.

Sec. 21. Minnesota Statutes 1990, section 62B.08, subdivision 3, is amended to read:

Subd. 3. If a creditor requires a debtor to make a payment for credit life insurance ~~or~~<sub>1</sub> credit accident and health insurance, or credit unemployment insurance and an individual policy or group certificate of insurance is not issued, the creditor shall immediately give written notice to the debtor and shall promptly make an appropriate credit to the account.

Sec. 22. Minnesota Statutes 1990, section 62B.08, subdivision 4, is amended to read:

Subd. 4. The amount charged to a debtor for credit life ~~or~~<sub>1</sub> credit health and accident insurance, or credit unemployment insurance shall not exceed the premiums charged by the insurer, as computed at the time the charge to the debtor is determined, and any premium charged or collected on a single premium basis shall be submitted to the insurer within 90 days of the month in which said premium is charged or collected.

Sec. 23. Minnesota Statutes 1990, section 62B.09, subdivision 1, is amended to read:

Subdivision 1. Policies of credit life insurance ~~and~~<sub>1</sub> credit accident and health insurance, and credit unemployment insurance shall be delivered or issued for delivery in this state only by an insurer authorized to do an insurance business in this state and shall be issued only through holders of licenses or authorizations issued by the commissioner.

Sec. 24. Minnesota Statutes 1990, section 62B.09, subdivision 2, is amended to read:

Subd. 2. The premiums for individual policies of credit life ~~or~~<sub>1</sub> credit accident and health insurance, or credit unemployment insurance issued to debtors or the cost to debtors under group policies of credit life or credit accident and health insurance issued to creditors, whether or not written by or through any lender or other creditor, its affiliate, associate or subsidiary or a director, officer or employee of any of them, shall not be deemed interest or charges nor consideration or any amount whatsoever for any examination,

service, brokerage, commission, compensation for services, incidental expenses or other thing or otherwise, in addition to or in excess of permitted interest or charges in connection with the loan or credit transaction. Any gain, participation or advantage to any lender or other creditor, its affiliate, associates or subsidiary or to a director, officer or employee of any of them arising out of such premium or cost by way of commission, dividend or otherwise, shall not be deemed interest or charges nor consideration or any amount whatsoever for any examination, service, brokerage, commission, compensation for services, incidental expenses or other thing or otherwise, in addition to or in excess of permitted interest or charges in connection with the loan or credit transaction.

Sec. 25. Minnesota Statutes 1990, section 62B.11, is amended to read:

**62B.11 [EXISTING INSURANCE; CHOICE OF INSURER.]**

When credit life insurance ~~or~~ credit accident and health insurance, or credit unemployment insurance is required as additional security for any indebtedness, the debtor shall, upon request to the creditor, have the option of furnishing the required amount of insurance through existing policies of insurance owned or controlled by the debtor or of procuring and furnishing the required coverage through any insurer authorized to transact an insurance business within this state.

Sec. 26. Minnesota Statutes 1990, section 72A.20, subdivision 27, is amended to read:

Subd. 27. [SOLICITATIONS AND SALES OF INSURANCE PRODUCTS TO BORROWERS.] (a) A loan officer, a loan representative, or other person involved in taking or processing a loan may not solicit an insurance product, except for credit life ~~and~~ credit disability ~~or~~ credit unemployment, mortgage life, mortgage accidental death, or mortgage disability, and except for life insurance when offered in lieu of credit life insurance, from the completion of the initial loan application, as defined in the federal Equal Credit Opportunity Act, United States Code, title 15, sections 1691 to 1691f, and any regulations adopted under those sections, until after the closing of the loan transaction.

(b) This subdivision applies only to loan transactions covered by the federal Truth-in-Lending Act, United States Code, title 15, sections 1601 to 1666j, and any regulations adopted under those sections.

(c) This subdivision does not apply to sales of title insurance, homeowner's insurance, a package homeowner's-automobile insurance product, automobile insurance, or a similar insurance product, required to perfect title to, or protect, property for which a security

interest will be taken if the product is required as a condition of the loan.

(d) Nothing in this subdivision prohibits the solicitation or sale of any insurance product by means of mass communication.

Sec. 27. [EFFECTIVE DATE.]

Sections 1 to 26 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to commerce; regulating data collection, enforcement powers, premium finance agreements, temporary capital stock of mutual life companies, surplus lines insurance, conversion privileges, coverages, rehabilitations and liquidations, the comprehensive health insurance plan, and claims practices; requiring insurers to notify all covered persons of cancellations of group coverage; regulating continuation privileges and automobile premium surcharges; regulating unfair or deceptive practices; regulating insurance agent licensing and education; carrying out the intent of the legislature to make uniform the statutory service of process provisions under the jurisdiction of the department of commerce; permitting the sale of credit unemployment insurance on the same basis as other credit insurance; requiring consumer disclosures; specifying minimum loss ratios for credit insurance; making various technical changes; amending Minnesota Statutes 1990, sections 45.012; 45.027, by adding subdivisions; 45.028, subdivision 1; 47.016, subdivision 1; 48.185, subdivisions 4 and 7; 56.125, subdivision 3; 56.155, subdivision 1; 59A.08, subdivisions 1 and 4; 59A.11, subdivisions 2 and 3; 59A.12, subdivision 1; 60A.02, subdivision 7, and by adding a subdivision; 60A.03, subdivision 2; 60A.07, subdivision 10; 60A.12, subdivision 4; 60A.17, subdivision 1a; 60A.1701, subdivisions 3 and 7; 60A.19, subdivision 4; 60A.201, subdivisions 1 and 4; 60A.203; 60A.206, subdivision 3; 60A.21, subdivision 2; 60B.03, by adding a subdivision; 60B.15; 60B.17, subdivision 1; 62A.10, subdivision 1; 62A.146; 62A.17, subdivision 2; 62A.21, subdivisions 2a and 2b; 62A.30, subdivision 1; 62A.41, subdivision 4; 62A.54; 62B.01; 62B.02, by adding a subdivision; 62B.03; 62B.04, subdivision 2; 62B.05; 62B.06, subdivisions 1, 2, and 4; 62B.07, subdivisions 2 and 6; 62B.08, subdivisions 1, 3, and 4; 62B.09, subdivisions 1 and 2; 62B.11; 62C.142, subdivision 2a; 62C.17, subdivision 5; 62D.101, subdivision 2a; 62D.22, subdivision 8; 62E.02, subdivision 23; 62E.11, subdivision 9; 62E.14, by adding a subdivision; 62E.15, subdivision 4, and by adding subdivisions; 62E.16; 62H.01; 64B.33; 64B.35, subdivision 2; 65B.133, subdivisions 4, 7, and by adding a subdivision; 70A.11, subdivision 1; 71A.02, subdivision 3; 72A.07; 72A.125, subdivision 2; 72A.20, subdivision 27, and by adding a subdivision; 72A.201, subdivision 3; 72A.22, subdivision 5; 72A.37, subdivision 2; 72A.43, subdivision 2;

72B.02, by adding a subdivision; 72B.03, subdivision 2; 72B.04, subdivision 6; 80A.27, subdivisions 7 and 8; 80C.20; 82.31, subdivision 3; 82A.22, subdivisions 1 and 2; 83.39, subdivisions 1 and 2; 270B.07, subdivision 1; and 543.08; Minnesota Statutes 1991 Supplement, sections 45.027, subdivisions 1, 2, 5, 6, and 7; 52.04, subdivision 1; 60A.13, subdivision 3a; 60D.15, subdivision 4; 60D.17, subdivision 4; 62E.10, subdivision 9; 62E.12; 72A.061, subdivision 1; 72A.201, subdivision 8; and 82B.15, subdivision 3; Laws 1991, chapter 233, section 111; proposing coding for new law in Minnesota Statutes, chapters 60A; 62A; 62B; and 62I; proposing coding for new law as Minnesota Statutes, chapter 60K; repealing Minnesota Statutes 1990, sections 60A.05; 60A.051; 60A.17, subdivisions 1, 1a, 1b, 1c, 2c, 2d, 3, 5, 5b, 6, 6b, 6c, 6d, 7a, 8, 8a, 9a, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, and 21; 65B.70; and 72A.13, subdivision 3; Minnesota Statutes 1991 Supplement, section 60A.17, subdivision 1d.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 1736, A bill for an act relating to transportation; authorizing the issuance of \$150,000,000 in state transportation bonds; appropriating the proceeds for grants to political subdivisions for bridge construction and reconstruction.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 1795, A bill for an act relating to the agricultural economy; authorizing certain obligations to assist in the use of agricultural industrial facilities in the city of Detroit Lakes; appropriating money.

Reported the same back with the following amendments:

Page 2, line 19, after the period insert “Money may be disbursed from this appropriation only for costs related to the sale of facilities. The authority shall account to the commissioner of finance in detail”



about disbursements from the appropriation. Any unused part of the appropriation shall cancel to the general fund."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 1811, A bill for an act relating to education; removing certain restrictions on issuing and selling school loan bonds; amending Minnesota Statutes 1991 Supplement, section 124.479.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 1833, A bill for an act relating to traffic regulations; permitting certain cities to provide for volunteer enforcement of certain regulations; amending Minnesota Statutes 1990, section 169.346, by adding a subdivision.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Anderson, I., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 1848, A bill for an act relating to the city of Minneapolis; authorizing the city to issue general obligation bonds to finance certain parking, plaza, and other improvements related to federal courts project.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Anderson, I., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 1852, A bill for an act relating to Chippewa county; permitting the consolidation of the offices of auditor and treasurer.

Reported the same back with the following amendments:

Page 1, line 7, before the comma insert "or by the Kandiyohi county board of commissioners" and after "treasurer" insert "in the county adopting the resolution"

Page 2, line 10, after "effect" insert "separately for each county"

Page 2, line 11, after "board" insert "or the Kandiyohi county board"

Amend the title as follows:

Page 1, line 2, delete "county" and insert "and Kandiyohi counties" and delete "the" and insert "each county to consolidate"

Page 2, line 3, delete "consolidation of"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Anderson, I., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 1853, A bill for an act relating to Olmsted county; permitting the appointment of the recorder; authorizing the abolishment and reorganization of the office.

Reported the same back with the following amendments:

Page 2, line 17, delete "15 percent of the registered" and insert "ten percent of the voters in the county voting in the last election"

Page 2, line 18, delete "voters of the county"

Page 2, line 23, delete "acts" and insert "act"

With the recommendation that when so amended the bill pass.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 1889, A bill for an act relating to employment; modifying provisions related to access to employee personnel records; amending Minnesota Statutes 1990, sections 181.961, subdivision 2; and 181.962, subdivision 1.

Reported the same back with the following amendments:

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

Page 1, line 14, after the period insert:

"(b) With respect to current employees,"

Page 1, line 21, before "Upon" insert "The employee may require that the review take place in the presence of the employee's representative. Following the review under this paragraph, and" and before "request" insert "written"

Page 1, line 22, before "record" insert "personnel" and after the period insert:

"(c) With respect to separated employees, upon the employee's written request, the employer shall provide a copy of the personnel record to the employee.

(d)"

With the recommendation that when so amended the bill pass.

The report was adopted.

Clark from the Committee on Housing to which was referred:

H. F. No. 1954, A bill for an act relating to landlord and tenants; prohibiting owners from charging for tenant reports; requiring that copies of tenant reports be furnished to prospective tenants in certain circumstances; amending Minnesota Statutes 1990, section 504.30, subdivision 5.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1990, section 504.30, subdivision 5, is amended to read:

Subd. 5. [INFORMATION TO TENANT; CHARGES.] An owner may charge a prospective tenant for a tenant report or a credit report. The owner may charge the greater of:

(1) the cost charged by a tenant screening service or a credit reporting agency for the tenant report or credit report; or

(2) \$25.

Prior to charging a prospective tenant for a tenant report or credit report, the owner must inform the prospective tenant that a tenant report or credit report will be used to determine whether the prospective tenant's application will be accepted or denied, or whether a tenant's security deposit will be increased. The owner must provide the prospective tenant the name, address, and telephone number of the tenant reporting company or credit reporting company from which a report will be obtained. If the owner uses information in a tenant report or credit report to accept or deny the rental or increase the security deposit or rent of a residential housing unit, the owner must inform the prospective tenant of the name and address of the tenant screening service that provided the tenant report that a copy of the credit report is available at no charge from the credit reporting company or furnish a copy of the tenant report to the prospective tenant at the time of notification of acceptance, denial, or increase.”

Delete the title and insert:

“A bill for an act relating to landlord and tenants; permitting owners to charge prospective tenants for tenant and credit reports; requiring that tenant and credit reports be furnished to prospective tenants in certain circumstances; amending Minnesota Statutes 1990, section 504.30, subdivision 5.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, I., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 1957, A bill for an act relating to Cook county hospital district; providing for terms for Cook county hospital district board members; amending Laws 1989, chapter 211, section 8, subdivision 3.

Reported the same back with the following amendments:

Page 1, after line 6, insert:

“Section 1. Minnesota Statutes 1990, section 43A.17, is amended by adding a subdivision to read:

Subd. 10. [LOCAL ELECTED OFFICIALS; CERTAIN COMPENSATION PROHIBITED.] The compensation plan for an elected official of a statutory or home rule charter city, county, town, or school district may not include a provision for vacation or sick leave. The salary of an official covered by this subdivision may not be diminished because of the official's absence from official duties because of vacation or sickness.”

Page 1, line 7, delete “Section 1” and insert “Sec. 2”

Page 2, line 6, delete “2” and insert “3”

Page 2, line 7, delete “1” and insert “2”

Amend the title as follows:

Page 1, line 2, delete “Cook county hospital district” and insert “elected officials” and after the semicolon insert “restricting compensation for local elected officials;”

Page 1, line 4, after “amending” insert “Minnesota Statutes 1990, section 43A.17, by adding a subdivision; and”

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 2002, A bill for an act relating to community service; directing the Minnesota office on volunteer services to prepare a federal grant proposal.

Reported the same back with the following amendments:

Page 1, line 19, delete “and” and insert “, including an emphasis on youth community service, service learning, and mentoring of youth. The proposal”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Labor-Management Relations.

The report was adopted.

Clark from the Committee on Housing to which was referred:

H. F. No. 2004, A bill for an act relating to housing; authorizing the issuance and sale of state bonds for the neighborhood land trust program; appropriating money.

Reported the same back with the following amendments:

Page 1, line 20, before the period insert “, upon terms and conditions the agency determines”

Page 1, after line 20, insert:

“Sec. 3. [RESTRICTIONS.]

(a) Each grant or loan agreement entered into by the Minnesota housing finance agency under section 2 must require the public entity to which it is made to retain fee title to all property purchased, in whole or part, from bond proceeds until the grant or loan is repaid.

(b) Land purchased by a grant or loan recipient may be leased to any person or entity for a period not exceeding 60 years.

(c) A building purchased by a grant or loan recipient may be demolished in whole or part, sold or leased, if the public entity determines it to be in the public interest. If sold, the building must be sold for fair market value. If leased, the lease period may not exceed 60 years and the annual rental must equal the cost times the

percentage of the building's remaining life allocable to each year. For purposes of determining the required rental, the purchase price of land and buildings must be allocated between them based on standard valuation procedures."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Clark from the Committee on Housing to which was referred:

H. F. No. 2005, A bill for an act relating to appropriations; appropriating money to the housing development as state match for the federal HOME program; proposing coding for new law in Minnesota Statutes, chapter 462A.

Reported the same back with the following amendments:

Page 1, line 7, delete "[APPROPRIATIONS.]" and insert "[HOME MATCH ACCOUNT.]"

Page 1, delete lines 8 and 9

Page 1, line 10, delete everything before "a" and insert "The HOME match account is created as a separate account in the housing development fund. The agency may grant funds to participating jurisdictions to be used as"

Page 1, line 15, delete everything after the first "to" and insert "12576. For the purpose of this section, "participating jurisdiction" is a jurisdiction that has been designated to receive HOME funds under United States Code, title 42, section 12746."

Page 1, delete line 16

Page 1, line 17, delete "funds," and insert "The agency must allocate funds under this section" and delete "recipient's" and insert "participating jurisdiction's"

Page 1, line 18, delete the semicolon and insert a period

Page 1, delete lines 19 to 21 and insert:

"Sec. 2. Minnesota Statutes 1990, section 462A.21, is amended by adding a subdivision to read:

Subd. 17. [HOME MATCH.] It may make grants for the purpose of section 462A.204 and pay the costs and expenses necessary and incidental to the development and operation of the grant program."

Amend the title as follows:

Page 1, line 3, after "development" insert "fund" and after "as" insert "a"

Page 1, line 4, after the semicolon insert "authorizing the housing finance agency to make grants; amending Minnesota Statutes 1990, section 462A.21, by adding a subdivision;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 2017, A bill for an act relating to education; transferring powers and responsibilities for licensing private business, trade, and correspondence schools to the higher education coordinating board; appropriating money; amending Minnesota Statutes 1990, section 141.21, by adding a subdivision; repealing Minnesota Statutes 1990, section 141.21, subdivision 2.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2026, A bill for an act relating to the state board of investment; management of funds under board control; authorizing certain investments by the board; amending Minnesota Statutes 1990, sections 11A.04; 11A.14, subdivision 2; 11A.16, subdivision 5; 11A.17, subdivisions 1, 4, 9, 14, and by adding a subdivision; 11A.18, subdivision 11; 116P.11; 352D.04, subdivision 1; 352D.09, subdivision 7; 354B.04, by adding a subdivision; and 354B.05, subdivision 3; Minnesota Statutes 1991 Supplement, sections 11A.24, subdivision 4; 353D.05, subdivisions 2 and 3; and 354B.07, subdivision 2.



Reported the same back with the following amendments:

Page 5, line 17, after "to" insert "one-twelfth of an annual charge equal to"

Page 5, line 31, after "to" insert "one-twelfth of an annual charge equal to"

Page 13, delete section 16

Page 13, line 11, delete "17" and insert "16"

Page 14, line 4, delete "18" and insert "17"

Page 14, line 18, delete "19" and insert "18"

Page 14, line 19, delete "18" and insert "17"

Amend the title as follows:

Page 1, line 9, delete "354B.04, by adding a subdivision;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Ogren from the Committee on Taxes to which was referred:

H. F. No. 2031, A bill for an act relating to taxation; property; providing for the valuation and assessment of vacant platted property; amending Minnesota Statutes 1991 Supplement, section 273.11, subdivision 1.

Reported the same back with the following amendments:

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes 1990, section 124.2131, subdivision 1, is amended to read:

Subdivision 1. [ADJUSTED GROSS TAX CAPACITY.] (a) [COMPUTATION.] The department of revenue shall annually conduct an assessment/sales ratio study of the taxable property in each school district in accordance with the procedures in paragraphs (b) and (c). Based upon the results of this assessment/sales ratio study, the department of revenue shall determine an aggregate equalized gross

tax capacity and an aggregate equalized net tax capacity for the various classes of taxable property in each school district, which tax capacity shall be designated as the adjusted gross tax capacity and the adjusted net tax capacity, respectively. The department of revenue may incur the expense necessary to make the determinations. The commissioner of revenue may reimburse any county or governmental official for requested services performed in ascertaining the adjusted gross tax capacity and the adjusted net tax capacity. On or before March 15 annually, the department of revenue shall file with the chair of the tax committee of the house of representatives and the chair of the committee on taxes and tax laws of the senate a report of adjusted gross tax capacities and adjusted net tax capacities. On or before April 15 annually, the department of revenue shall file its final report on the adjusted gross tax capacities and adjusted net tax capacities established by the previous year's assessment with the commissioner of education and each county auditor for those school districts for which the auditor has the responsibility for determination of local tax rates. A copy of the report so filed shall be mailed to the clerk of each district involved and to the county assessor or supervisor of assessments of the county or counties in which each district is located.

(b) [METHODOLOGY.] In making its annual assessment/sales ratio studies, the department of revenue shall use a methodology consistent with the most recent Standard on Assessment Ratio Studies published by the assessment standards committee of the International Association of Assessing Officers. The commissioner of revenue shall supplement this general methodology with specific procedures necessary for execution of the study in accordance with other Minnesota laws impacting the assessment/sales ratio study. The commissioner shall document these specific procedures in writing and shall publish the procedures in the State Register, but these procedures will not be considered "rules" pursuant to the Minnesota administrative procedure act. For purposes of this section, section 270.12, subdivision 2, clause (8), and section 278.05, subdivision 4, the commissioner of revenue shall exclude from the assessment/sales ratio study the sale of any nonagricultural property which does not contain an improvement.

(c) [AGRICULTURAL LANDS.] For purposes of determining the adjusted gross tax capacity and adjusted net tax capacity of agricultural lands for the calculation of adjusted gross tax capacities and adjusted net tax capacities, the market value of agricultural lands shall be the price for which the property would sell in an arms length transaction."

Page 2, line 25, after "Section 1" insert "is effective the day following final enactment. Section 2"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after the semicolon insert "excluding certain unimproved land sales from sales ratio studies;"

Page 1, line 4, after "amending" insert "Minnesota Statutes 1990, section 124.2131, subdivision 1;"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

## **SECOND READING OF HOUSE BILLS**

H. F. Nos. 756, 1681, 1833, 1852, 1853, 1889, 1954, 1957, 2026 and 2031 were read for the second time.

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

The following House Files were introduced:

Begich introduced:

H. F. No. 2115, A bill for an act relating to partition fences; providing for apportionment of cost of a partition fence; amending Minnesota Statutes 1990, sections 344.03, subdivision 1; and 344.06.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Lasley and Mariani introduced:

H. F. No. 2116, A bill for an act relating to transportation; authorizing privileged highway use for transit buses and requiring instruction in the driver's manual; providing tax credits for transit use; imposing a tax on gasoline sales at retail and requiring tax proceeds to be used for transit; authorizing municipalities to impose transportation utility fees; amending Minnesota Statutes 1990, sections 169.01, by adding a subdivision; 169.04; 169.18, by adding a subdivision; 169.19, subdivision 1; 171.13, by adding a subdivision; 297A.02, by adding a subdivision; 297A.021, subdivision 1; and 297A.25, subdivision 7; Minnesota Statutes 1991 Supplement, sec-

tion 297A.44, subdivisions 1 and 4; proposing coding for new law in Minnesota Statutes, chapters 290; and 444.

The bill was read for the first time and referred to the Committee on Transportation.

Segal, Greenfield and Rodosovich introduced:

H. F. No. 2117, A bill for an act relating to health; authorizing grants for a home health visiting program designed to prevent abuse and neglect of children; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 145A.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Segal introduced:

H. F. No. 2118, A bill for an act relating to education; permitting students to cast nonbinding votes during a school district primary, general, or special election; proposing coding for new law in Minnesota Statutes, chapter 205A.

The bill was read for the first time and referred to the Committee on Education.

Segal, Lourey and Kelso introduced:

H. F. No. 2119, A bill for an act relating to education; reducing the pupil-teacher ratio for LEP students; increasing the state's proportionate share of an LEP teacher's salary; establishing eligibility criteria for LEP courses and programs; providing a levy for LEP costs; amending Minnesota Statutes 1990, section 124.273, by adding a subdivision; Minnesota Statutes 1991 Supplement, section 124.273, subdivision 1b.

The bill was read for the first time and referred to the Committee on Education.

Nelson, S.; Winter; Dille; Dauner and Wenzel introduced:

H. F. No. 2120, A bill for an act relating to agriculture; appropriating money for the agricultural mediator program.

The bill was read for the first time and referred to the Committee on Appropriations.

Nelson, K.; Bauerly; McEachern; Kelso and Weaver introduced:

H. F. No. 2121, A bill for an act relating to education; making technical changes on programs administered by the department of education; amending Minnesota Statutes 1990, sections 121.935, by adding a subdivision; 123.35, by adding a subdivision; 124A.22, by adding subdivisions; 124A.23, subdivision 3; 124A.26, subdivision 2; and 275.125, by adding a subdivision; Minnesota Statutes 1991 Supplement, sections 120.17, subdivision 7a; 124.155, subdivision 2; 124.19, subdivision 1; 124.2727, subdivision 6; 124A.03, subdivision 2; 124A.23, subdivision 4; and 124A.24; Laws 1991, chapter 265, articles 7, section 37, subdivision 6; and 9, section 76; repealing Minnesota Statutes 1990, section 124A.23, subdivision 2a; Minnesota Statutes 1991 Supplement, sections 121.935, subdivision 7; 123.35, subdivision 19; and 124.646, subdivision 2; Laws 1991, chapter 265, articles 2, section 18; 3, section 36; 5, section 17; and 6, section 60.

The bill was read for the first time and referred to the Committee on Education.

Welker, Ogren, Valento and Girard introduced:

H. F. No. 2122, A bill for an act relating to taxes; providing for purchase of certain tax-forfeited lands; amending Minnesota Statutes 1990, sections 282.012; and 282.241.

The bill was read for the first time and referred to the Committee on Taxes.

Jefferson introduced:

H. F. No. 2123, A bill for an act relating to occupations and professions; requiring locksmiths and keymakers to be licensed; providing penalties; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 326.

The bill was read for the first time and referred to the Committee on Commerce.

Pugh introduced:

H. F. No. 2124, A bill for an act relating to probate; enacting article 2 of the uniform probate code regulating intestate succession and wills; repealing conflicting provisions; amending Minnesota Statutes 1990, sections 524.2-101; 524.2-102; 524.2-103; 524.2-104; 524.2-105; 524.2-106; 524.2-107; 524.2-108; 524.2-109; 524.2-110; 524.2-111; 524.2-113; 524.2-114; 524.2-201; 524.2-202; 524.2-203;

524.2-204; 542.2-205; 524.2-206; 524.2-207; 524.2-301; 524.2-302; 524.2-502; 524.2-504; 524.2-505; 524.2-506; 524.2-507; 524.2-508; 524.2-509; 524.2-512; 524.2-513; 524.2-602; 524.2-603; 524.2-604; 524.2-605; 524.2-606; 524.2-607; 524.2-608; 524.2-609; 524.2-701; 524.2-802; and 524.2-803; proposing coding for new law in Minnesota Statutes, chapter 524; repealing Minnesota Statutes 1990, sections 501A.01; 501A.02; 501A.03; 501A.04; 501A.05; 501A.06; 501A.07; 524.2-112; 524.2-610; and 524.2-612.

The bill was read for the first time and referred to the Committee on Judiciary.

Tunheim and Anderson, I., introduced:

H. F. No. 2125, A bill for an act relating to agriculture; adding Roseau and Koochiching counties to the restricted seed potato growing area; amending Minnesota Statutes 1990, section 21.1196, subdivision 1.

The bill was read for the first time and referred to the Committee on Agriculture.

Orenstein, Vellenga, Carlson and Morrison introduced:

H. F. No. 2126, A bill for an act relating to education; requiring faculty, staff, and students in post-secondary institutions to participate in violence prevention and sexual harassment training programs; requiring recommendations from the higher education coordinating board about curricula, based upon a survey of graduates and current course offerings; authorizing grants for multidisciplinary training programs; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 135A.

The bill was read for the first time and referred to the Committee on Education.

Sparby, Rice, Morrison, Simoneau and Carlson introduced:

H. F. No. 2127, A bill for an act relating to state government; prohibiting the construction of state buildings with flat roofs; proposing coding for new law in Minnesota Statutes, chapter 16B.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Clark, Greenfield, Jefferson and Wejcman introduced:

H. F. No. 2128, A bill for an act relating to human services; authorizing an exception to the moratorium on new negotiated rate facilities for a specialized housing program for chronic inebriates; amending Minnesota Statutes 1991 Supplement, section 256I.04, subdivision 3.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Vellenga, Hasskamp, Carruthers, Macklin and Orenstein introduced:

H. F. No. 2129, A bill for an act relating to crimes; establishing a criminal justice system task force to review the Minnesota criminal code and penalties, review bias crime penalties, and review sentencing under the sentencing guidelines.

The bill was read for the first time and referred to the Committee on Judiciary.

Dempsey introduced:

H. F. No. 2130, A bill for an act relating to education; extending interactive television levy authority to school districts in economic region nine; amending Minnesota Statutes 1991 Supplement, section 275.125, subdivision 11g.

The bill was read for the first time and referred to the Committee on Education.

Vellenga, Wagenius, Brown, Onnen and Cooper introduced:

H. F. No. 2131, A bill for an act relating to courts; requiring the state to reimburse counties for certain extradition expenses from any forfeited bail of the defendant or probationer that had been forwarded to the state treasury as required by law; amending Minnesota Statutes 1990, section 485.018, subdivision 5.

The bill was read for the first time and referred to the Committee on Judiciary.

Sarna, O'Connor, McEachern and Kinkel introduced:

H. F. No. 2132, A bill for an act relating to consumer protection; requiring certificates of title on rebuilt vehicles to contain the term

“rebuilt” on them; removing a limitation on this requirement; amending Minnesota Statutes 1990, section 325F.6642, subdivision 3.

The bill was read for the first time and referred to the Committee on Commerce.

Jacobs, Sarna, Janezich and Beard introduced:

H. F. No. 2133, A bill for an act relating to motor fuels; requiring gasoline sellers to comply with posted octane amounts; providing for octane testing; establishing enforcement procedures and penalties for violations; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 239.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Jacobs, Murphy and O'Connor introduced:

H. F. No. 2134, A bill for an act relating to energy; appropriating money to energy and conservation account for programs to improve energy efficiency of residential oil-fired heating plants in low-income households.

The bill was read for the first time and referred to the Committee on Energy.

Jacobs, Lasley, Tunheim, Osthoff and Ozment introduced:

H. F. No. 2135, A bill for an act relating to utilities; clarifying the authority of the public utility commission in establishing extended area telephone service; amending Minnesota Statutes 1990, section 237.161, subdivision 3; Minnesota Statutes 1991 Supplement, section 237.161, subdivision 1.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Cooper and Greenfield introduced:

H. F. No. 2136, A bill for an act relating to health and human services; mandating a study on the identification of specialized services and needs in nursing homes; amending Minnesota Statutes 1991 Supplement, section 144A.31, by adding a subdivision.



The bill was read for the first time and referred to the Committee on Health and Human Services.

Lourey; Reding; O'Connor; Johnson, R., and Knickerbocker introduced:

H. F. No. 2137, A bill for an act relating to retirement; the Minnesota state retirement system and the public employees retirement association; making various changes to administration, benefits, and investment practices; amending Minnesota Statutes 1990, sections 352.01, subdivision 2b; 352.029, subdivisions 1 and 2; 352.113, subdivisions 1, 3, 4, and 10; 352.12, subdivision 1; 352.22, subdivision 3; 352D.12; 353.01, subdivision 28; 353.27, subdivision 10; 353.29, subdivision 7; 353.33, subdivisions 1, 6, 6a, and 6b; 353.34, subdivision 2; 353.65, subdivision 1; 353.656, subdivision 5; 353.659; 353.68, subdivision 4; 353A.02, subdivisions 12 and 28; 353A.04, subdivision 2; 353A.05, subdivision 3; 353A.07, subdivision 3; 353A.08, subdivision 6, and by adding a subdivision; 353A.09, subdivision 1; 353A.10, subdivision 4, and by adding a subdivision; 356.30, subdivision 1; 356.302, subdivision 6; 356.303, subdivision 3; 490.124, subdivision 11; Minnesota Statutes 1991 Supplement, sections 353.01, subdivisions 2b, 16, and 20; 353.27, subdivisions 12 and 12b; 353.31, subdivision 1; 353.32, subdivision 1a; 353.64, subdivision 5a; 353.657, subdivisions 1, 2, and 2a; 353A.03; 353A.06; 353D.01, subdivision 2; 353D.02; 353D.03; 353D.04, subdivision 1; 353D.05, subdivisions 2 and 3; 353D.07, subdivisions 2 and 3; 353D.12, subdivision 1; and Laws 1990, chapter 570, article 8, section 14, subdivision 1, as amended; proposing coding for new law in Minnesota Statutes, chapter 353; repealing Minnesota Statutes 1990, sections 352.029, subdivision 4; and 353.656, subdivision 7.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Greenfield; Welle; Anderson, R., and Rodosovich introduced:

H. F. No. 2138, A bill for an act relating to human services; establishing a hold-harmless provision concerning the property-related rate for nursing homes; authorizing the recognition of debt from sales occurring after May 22, 1983; establishing a repair and maintenance rate; establishing an equity incentive for major additions and replacements; establishing a nursing home valuation process; appropriating money; amending Minnesota Statutes 1990, section 256B.431, by adding subdivisions.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Olson, K.; Hasskamp; Vellenga; Orenstein and Seaberg introduced:

H. F. No. 2139, A bill for an act relating to children; requiring prompt decisions in juvenile court proceedings involving children who are physically or sexually abused; amending Minnesota Statutes 1990, sections 260.155, subdivision 1; and 546.27, subdivision 1.

The bill was read for the first time and referred to the Committee on Judiciary.

Farrell; Solberg; Johnson, A.; Bodahl and Swenson introduced:

H. F. No. 2140, A bill for an act relating to assaults; providing for the establishment of a homicide investigation and tracking system within the bureau of criminal apprehension; creating a domestic abuse data system; providing for restitution under orders for protection; providing for statewide enforcement and verification of orders for protection; classifying the residence address and telephone number in driver's license and motor vehicle registration records as private data; appropriating money; amending Minnesota Statutes 1990, sections 13.69, subdivision 1; 299C.09; 299C.10; 299C.11; 299C.12; and 518B.01, subdivision 13, and by adding a subdivision; and Minnesota Statutes 1991 Supplement, section 518B.01, subdivisions 4 and 6; proposing coding for new law in Minnesota Statutes, chapter 299C; repealing Minnesota Statutes 1990, sections 168.346; and 171.12, subdivision 7.

The bill was read for the first time and referred to the Committee on Judiciary.

Farrell, Solberg, Bodahl, Swenson and Nelson, S., introduced:

H. F. No. 2141, A bill for an act relating to public safety; enhancing penalties for certain repeat harassment offenses; increasing role of prosecutor in seeking restitution for victims of crime; requiring consideration of fact that victim is a stranger as aggravating factor under the sentencing guidelines; amending Minnesota Statutes 1990, sections 609.746, subdivision 2; 611A.034; and 611A.04, subdivisions 1 and 1a.

The bill was read for the first time and referred to the Committee on Judiciary.

Johnson, A.; Rukavina; Begich; Murphy and Blatz introduced:

H. F. No. 2142, A bill for an act relating to employment; leaves of

absence; assigning duties to the division of labor standards; modifying provisions relating to school conference leave for employees with children; amending Minnesota Statutes 1990, sections 177.26, subdivision 2; and 181.9412; proposing coding for new law in Minnesota Statutes, chapter 181.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Steensma; Welle; Battaglia; Johnson, R., and Dempsey introduced:

H. F. No. 2143, A bill for an act relating to the environment; imposing a moratorium on the adoption of rules regulating above-ground storage tanks; requiring a report; providing for legislative review of proposed rules.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Pugh, Milbert, Tompkins, Seaberg and Morrison introduced:

H. F. No. 2144, A bill for an act relating to human services; providing for a pilot project for improved mental health services delivery system in Dakota county for adults with serious and persistent mental illness.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Brown, Bertram and Nelson, S., introduced:

H. F. No. 2145, A bill for an act relating to education; repealing requirements for consolidation of certain community college and technical college administrative positions; repealing the requirement that the state board of technical colleges create technical college districts; removing technical colleges from the authority of the higher education board; removing the technical college system from the merger of post-secondary education systems; amending Minnesota Statutes 1991 Supplement, sections 136E.03; 136E.04, subdivision 1; 179A.10, subdivision 2; Laws 1991, chapter 356, article 9, sections 8, subdivisions 1 and 4; 9; and 14; repealing Minnesota Statutes 1991 Supplement, sections 135A.50; 136C.71; 136E.04, subdivision 4; Laws 1991, chapter 356, article 9, sections 8, subdivision 6; and 11.

The bill was read for the first time and referred to the Committee on Education.

Lieder, Tunheim, Sparby, Dauner and Olson, E., introduced:

H. F. No. 2146, A bill for an act relating to agriculture; appropriating money for a potato inspection facility.

The bill was read for the first time and referred to the Committee on Appropriations.

Wagenius; Johnson, R.; Pauly; Ozment and Munger introduced:

H. F. No. 2147, A bill for an act relating to the environment; banning placement of mercury in solid waste; regulating the sale and use of mercury; requiring recycling of mercury in certain products; amending Minnesota Statutes 1991 Supplement, section 115A.9561, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 115A and 116.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Rest, Greenfield, Skoglund, Pauly and Leppik introduced:

H. F. No. 2148, A bill for an act relating to taxation; providing an exemption from the alternative minimum tax; amending Minnesota Statutes 1990, section 290.0922, subdivision 2.

The bill was read for the first time and referred to the Committee on Taxes.

Greenfield; Clark; Rodosovich; Anderson, R., and Murphy introduced:

H. F. No. 2149, A bill for an act relating to general assistance and work readiness; transferring secondary school students for whom English is a second language from the work readiness program to the general assistance program; amending Minnesota Statutes 1991 Supplement, section 256D.05, subdivision 1.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Wagenius; Long; Anderson, R.; Munger and Ozment introduced:

H. F. No. 2150, A bill for an act relating to waste management; defining postconsumer material; emphasizing and clarifying waste reduction; setting requirements for use of labels on products and packages indicating recycled content; amending provisions related

to designation of waste; strengthening the requirement for pricing of waste collection based on volume or weight of waste collected; requiring recycled content in and recyclability of telephone directories and requiring recycling of waste directories; requiring labeling of rechargeable batteries; requiring studies on automobile waste, construction debris, and used motor oil; and making various other amendments and additions related to solid waste management; authorizing rulemaking; providing penalties; amending Minnesota Statutes 1990, sections 16B.121; 115.071, subdivision 1; 115A.03, subdivision 36a, and by adding subdivisions; 115A.07, by adding a subdivision; 115A.557, subdivision 3; 115A.63, subdivision 3; 115A.81, subdivision 2; 115A.93, by adding a subdivision; 115A.981; 325E.12; 325E.125, subdivision 1; and 473.844, subdivision 4; Minnesota Statutes 1991 Supplement, sections 16B.122, subdivision 2; 115A.02; 115A.15, subdivision 9; 115A.411, subdivision 1; 115A.83; 115A.9157, subdivision 5; 115A.93, subdivision 3; 115A.931; 325E.1251, subdivision 2; and 473.849; Laws 1991, chapter 337, section 90; proposing coding for new law in Minnesota Statutes, chapter 115A.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Peterson, Brown, McEachern and Nelson, K., introduced:

H. F. No. 2151, A bill for an act relating to education; appropriating money for, and authorizing levies by, the Lac Qui Parle valley joint school district.

The bill was read for the first time and referred to the Committee on Education.

Murphy; Anderson, I., and Farrell introduced:

H. F. No. 2152, A bill for an act relating to labor; requiring arbitration in certain circumstances; establishing procedures; providing penalties; amending Minnesota Statutes 1990, sections 179.06, by adding a subdivision; and 179A.16, subdivision 3, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Vanasek; Lieder; Anderson, I., and Schreiber introduced:

H. F. No. 2153, A bill for an act relating to metropolitan airport planning; revising the name, authority, and duties of the state advisory council; expanding the council and altering the voting

status of certain members; authorizing staff and office space; appropriating money; proposing coding for law in Minnesota Statutes, chapter 473.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Orenstein, Weaver, Rodosovich and Carruthers introduced:

H. F. No. 2154, A bill for an act relating to health; providing for the release of certain immunization data in certain cases; proposing coding for new law in Minnesota Statutes, chapter 144.

The bill was read for the first time and referred to the Committee on Judiciary.

Sparby, Beard, Frederick and Milbert introduced:

H. F. No. 2155, A bill for an act relating to lawful gambling; expanding the definition of lawful purpose to include certain senior citizen activities sponsored by an organization; amending Minnesota Statutes 1991 Supplement, section 349.12, subdivision 25.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Sparby, Beard, Frederick and Milbert introduced:

H. F. No. 2156, A bill for an act relating to gambling; permitting organizations to conduct contests involving certain card games for senior citizens; amending Minnesota Statutes 1990, section 609.761, by adding a subdivision.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Sparby, Beard, Frederick and Milbert introduced:

H. F. No. 2157, A bill for an act relating to lawful gambling; establishing a lawful gambling advisory council; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 349.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Sparby, Rodosovich, Thompson, Tunheim and Jennings introduced:

H. F. No. 2158, A bill for an act relating to workers' compensation; providing a new general system of law for the compensation of employment related injuries; providing rights, duties, and remedies; providing for administration and procedure; permitting adoption of administrative rules; modifying insurance regulations; appropriating money; amending Minnesota Statutes 1990, sections 79.01, subdivision 1; 79.074, by adding subdivisions; 79.252, by adding a subdivision; 79.50; 79.59; and 176A.03, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 79; proposing coding for new law as Minnesota Statutes, chapter 176C; repealing Minnesota Statutes 1990, section 175.007.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Sarna and Rice introduced:

H. F. No. 2159, A bill for an act relating to local governments; reimbursing costs incurred by peace officers in defending civilian complaints; amending Minnesota Statutes 1990, section 471.44.

The bill was read for the first time and referred to the Committee on Judiciary.

Wagenius and Vellenga introduced:

H. F. No. 2160, A bill for an act relating to family law; modifying provisions dealing with the administration, computation, and enforcement of child support; modifying visitation provisions; imposing penalties; appropriating money; amending Minnesota Statutes 1990, sections 257.67, subdivision 3; 357.021, subdivision 1a; 518.003, subdivision 3; 518.14; 518.171, subdivisions 1, 3, 4, 5, 6, 7, and 9; 518.175, subdivision 1; 518.54, subdivision 4; 518.551, subdivisions 1, 7, and 10, and by adding subdivisions; 518.57, subdivision 1, and by adding subdivisions; 518.611, subdivision 4; 548.091, subdivision 1a; 588.20; and 609.375, subdivisions 1 and 2; Minnesota Statutes 1991 Supplement, sections 214.101, subdivision 1; 357.021, subdivision 2; 518.551, subdivisions 5 and 12; and 518.64, subdivisions 1, 2, and 5; proposing coding for new law in Minnesota Statutes, chapters 16B and 518; repealing Minnesota Statutes 1990, section 609.37.

The bill was read for the first time and referred to the Committee on Judiciary.

Clark, Greenfield and Segal introduced:

H. F. No. 2161, A bill for an act relating to the Minnesota supplemental aid program; expanding assistance for mentally ill persons in shared housing; amending Minnesota Statutes 1990, section 256D.44, subdivisions 2 and 3.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Hausman, Mariani, Skoglund and Nelson, K., introduced:

H. F. No. 2162, A bill for an act relating to education; including excess costs of certain hazards in the excess transportation levy; making a levy adjustment; amending Minnesota Statutes 1990, section 275.125, subdivision 5e.

The bill was read for the first time and referred to the Committee on Education.

Hausman, Mariani, Skoglund and Nelson, K., introduced:

H. F. No. 2163, A bill for an act relating to education; expanding state transportation and authorization; making a levy adjustment; amending appropriations and entitlements; amending Minnesota Statutes 1991 Supplement, sections 124.223, subdivision 1; and 124.225, subdivision 1; Laws 1991, chapter 265, article 2, section 19, subdivision 2.

The bill was read for the first time and referred to the Committee on Education.

Hausman; Mariani; Skoglund; Nelson, K., and Schafer introduced:

H. F. No. 2164, A bill for an act relating to education; restoring state transportation and authorization for late activities buses; making a levy adjustment; amending appropriations and entitlements; amending Minnesota Statutes 1991 Supplement, sections 124.223, subdivision 1; and 124.225, subdivisions 1 and 7d; Laws 1991, chapter 265, article 2, section 19, subdivision 2.

The bill was read for the first time and referred to the Committee on Education.



Hausman; Mariani; Skoglund; Nelson, K., and McGuire introduced:

H. F. No. 2165, A bill for an act relating to education; modifying the nonregular transportation revenue inflation factor; making a levy adjustment; amending appropriations and entitlements; amending Minnesota Statutes 1991 Supplement, section 124.225, subdivision 7d; and Laws 1991, chapter 265, article 2, section 19, subdivision 2.

The bill was read for the first time and referred to the Committee on Education.

Rest introduced:

H. F. No. 2166, A bill for an act relating to taxation; providing a sales tax exemption for materials purchased by government agencies for use in construction of housing for persons and families of low and moderate income; amending Minnesota Statutes 1990, section 297A.25, subdivision 11.

The bill was read for the first time and referred to the Committee on Taxes.

Wejcman, Orenstein and Vellenga introduced:

H. F. No. 2167, A bill for an act relating to crimes; requiring law enforcement training courses concerning crimes of violence against women and children; amending Minnesota Statutes 1990, section 626.8451.

The bill was read for the first time and referred to the Committee on Judiciary.

Mariani introduced:

H. F. No. 2168, A bill for an act relating to human services; providing for six demonstration projects to test alternatives to the delivery of mental health services; amending Minnesota Statutes 1990, section 256E.05, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Janezich, Rukavina, McGuire and McEachern introduced:

H. F. No. 2169, A bill for an act relating to school boards; providing

for appointment of runner-up candidate to fill vacancy on school board; amending Minnesota Statutes 1990, section 123.33, subdivision 4.

The bill was read for the first time and referred to the Committee on Education.

Farrell introduced:

H. F. No. 2170, A bill for an act relating to the environment; petrofund; providing that bonds or insurance must be provided by persons bidding on or performing corrective actions; proposing coding for new law in Minnesota Statutes, chapter 115C.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Seaberg introduced:

H. F. No. 2171, A bill for an act relating to crimes; requiring revocation of the driver's license of a person convicted of a controlled substance offense involving use of a motor vehicle; amending Minnesota Statutes 1991 Supplement, section 171.17, subdivision 1.

The bill was read for the first time and referred to the Committee on Judiciary.

Nelson, S.; Dille; Bauerly; Dauner and Munger introduced:

H. F. No. 2172, A bill for an act relating to appropriations; specifying allocation of funds appropriated for wetlands preservation; amending Laws 1991, chapter 354, article 11, section 1, subdivision 2.

The bill was read for the first time and referred to the Committee on Appropriations.

Kelso, Tunheim, Lasley, Weaver and Leppik introduced:

H. F. No. 2173, A bill for an act relating to education; providing for a reimbursement of costs incurred by school districts to comply with required elementary preparation time rules; appropriating money.

The bill was read for the first time and referred to the Committee on Education.

Trimble, Battaglia, Kalis and Dille introduced:

H. F. No. 2174, A bill for an act relating to once-through cooling systems; providing grants for retrofitting and conversion; amending Minnesota Statutes 1990, section 103G.271, by adding a subdivision; Minnesota Statutes 1991 Supplement, section 103G.271, subdivision 6.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Frerichs and Davids introduced:

H. F. No. 2175, A bill for an act relating to capital improvements; authorizing the issuance of state bonds for the Lake Florence restoration project; appropriating money.

The bill was read for the first time and referred to the Committee on Appropriations.

Frerichs, Bishop and Davids introduced:

H. F. No. 2176, A bill for an act relating to taxation; property; providing for the valuation and assessment of vacant platted property; amending Minnesota Statutes 1991 Supplement, section 273.11, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

Rukavina; Begich; Sarna; Johnson, R., and Welle introduced:

H. F. No. 2177, A bill for an act relating to workers' compensation; regulating benefits and coverage; providing penalties; amending Minnesota Statutes 1990, sections 176.011, subdivisions 3, 11a, and 18; 176.101, subdivisions 1, 2, and 3f; 176.102, subdivision 11; 176.111, subdivision 18; and 176.645, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 176.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Rukavina, Begich, Sarna, Winter and Johnson, R., introduced:

H. F. No. 2178, A bill for an act relating to workers' compensation; regulating hearings; providing for appointments to the workers' compensation court of appeals; regulating attorney fees; providing

penalties; amending Minnesota Statutes 1990, sections 176.081, subdivisions 1, 2, and 3; 176.105, subdivision 1; 176.421, subdivisions 1 and 6; 176.461; 480B.01, subdivisions 1 and 10; and 609.52, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 176.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Vellenga, Mariani, Wejcman and Gruenes introduced:

H. F. No. 2179, A bill for an act relating to social work licensure; exempting school social workers licensed by the board of teaching; amending Minnesota Statutes 1990, section 148B.28, subdivision 4.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Bauerly and McEachern introduced:

H. F. No. 2180, A bill for an act relating to counties; providing for the place of residence of commissioners in certain years; amending Minnesota Statutes 1991 Supplement, section 375.025, subdivision 4.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Carruthers introduced:

H. F. No. 2181, A bill for an act relating to government data practices; referencing provisions codified outside the Minnesota government data practices act; proposing coding for new law in Minnesota Statutes, chapter 13.

The bill was read for the first time and referred to the Committee on Judiciary.

Carruthers introduced:

H. F. No. 2182, A bill for an act relating to occupations and professions; authorizing civil penalties against certain corporations and partnerships by health-related licensing boards; authorizing the attorney general to bring an action dissolving the corporation or partnership; authorizing rulemaking; amending Minnesota Statutes 1990, sections 214.10, by adding a subdivision; 302A.757,

subdivision 1; 317A.751, subdivision 5; and 319A.20; proposing coding for new law in Minnesota Statutes, chapter 322.

The bill was read for the first time and referred to the Committee on Judiciary.

Waltman and Sviggum introduced:

H. F. No. 2183, A bill for an act relating to the city of Zumbrota; allowing informational signs.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Orenstein introduced:

H. F. No. 2184, A bill for an act relating to civil liability; raising the tort liability limits for claims against the metropolitan transit commission; amending Minnesota Statutes 1990, sections 466.01, by adding a subdivision; and 466.04, subdivisions 1 and 3.

The bill was read for the first time and referred to the Committee on Judiciary.

Farrell, Rice, Beard and Welle introduced:

H. F. No. 2185, A bill for an act relating to labor; protecting interests of employees following railroad acquisitions; imposing a penalty; amending Minnesota Statutes 1990, sections 222.86, subdivision 3; 222.87, subdivision 3, and by adding subdivisions; and 222.88.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

McGuire introduced:

H. F. No. 2186, A bill for an act relating to retirement; St. Paul fire department relief association; authorizing the payment of benefits to surviving former spouses of certain members.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Johnson, A., and Runbeck introduced:

H. F. No. 2187, A bill for an act relating to intoxicating liquor; authorizing Blaine to issue an on-sale license for the National Sports Center.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Jefferson introduced:

H. F. No. 2188, A bill for an act relating to occupations and professions; board of accountancy; regulating registered public accountants; changing educational requirements for accountants; making various technical changes; appropriating money; amending Minnesota Statutes 1990, sections 326.17; 326.18; 326.19; 326.20, subdivisions 1 and 2; 326.211; 326.212; and 326.224; proposing coding for new law in Minnesota Statutes, chapter 326.

The bill was read for the first time and referred to the Committee on Commerce.

Simoneau, Krueger, Lourey, Blatz and Sviggum introduced:

H. F. No. 2189, A bill for an act relating to the legislature; requiring committees of the legislature to consider the effect of proposed legislation on the state's science and technology policy; proposing coding for new law in Minnesota Statutes, chapter 3.

The bill was read for the first time and referred to the Committee on Economic Development.

McGuire introduced:

H. F. No. 2190, A bill for an act relating to economic development; providing that Ramsey county has the powers and duties of a city for the purpose of economic development authorities; amending Minnesota Statutes 1990, section 469.091, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Economic Development.

Simoneau and Kalis introduced:

H. F. No. 2191, A bill for an act relating to metropolitan government; authorizing the acquisition and betterment of transit facili-

ties and equipment and providing financing for their cost; amending Minnesota Statutes 1990, section 473.39.

The bill was read for the first time and referred to the Committee on Transportation.

Hausman; Janezich; Milbert; Anderson, I., and Pauly introduced:

H. F. No. 2192, A bill for an act relating to tax increment financing; establishing a special environmental treatment area; establishing tax increment financing districts; providing certain contaminant remediation and development powers; proposing coding for new law in Minnesota Statutes, chapter 469.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Wejcman introduced:

H. F. No. 2193, A bill for an act relating to children; providing for a recognition of parentage with the force and effect of a paternity adjudication; providing for preparation and distribution of a recognition form and educational materials for paternity; amending Minnesota Statutes 1990, sections 144.215, subdivision 3; 257.54; 257.541; 257.55, subdivision 1; 257.59, subdivision 1; 257.74, subdivision 1; and 518.156, subdivision 1; Minnesota Statutes 1991 Supplement, section 257.57, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 257.

The bill was read for the first time and referred to the Committee on Judiciary.

McEachern; Pelowski; Beard; Johnson, A., and Dille introduced:

H. F. No. 2194, A bill for an act relating to education; clarifying permitted uses of staff development revenue; amending Minnesota Statutes 1991 Supplement, sections 124A.29, subdivision 1; and 126.70.

The bill was read for the first time and referred to the Committee on Education.

Runbeck, Lasley, Boo and Henry introduced:

H. F. No. 2195, A bill for an act relating to education; entitling the PER report the "Annual Report on Curriculum and Student Performances"; including in the PER report information about curriculum

advisory committee membership; amending Minnesota Statutes 1990, section 126.666, subdivision 4.

The bill was read for the first time and referred to the Committee on Education.

Dauner and Thompson introduced:

H. F. No. 2196, A bill for an act relating to counties; changing certain requirements for issuance of tax anticipation certificates; amending Minnesota Statutes 1990, section 383.06.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Nelson, K.; McEachern; Bauerly; Olson, K., and Weaver introduced:

H. F. No. 2197, A bill for an act relating to education; authorizing the board of teaching to implement restructured teacher preparation programs and requirements to become a licensed teacher; requiring certain examinations before admission to an internship program and becoming licensed; requiring a one-year internship in an approved professional development school before becoming licensed; recodifying and simplifying certain licensure provisions for clarification; amending Minnesota Statutes 1990, section 125.05, subdivisions 1, 7, and by adding subdivisions; Minnesota Statutes 1991 Supplement, section 125.185, subdivisions 4 and 4a; repealing Minnesota Statutes 1990, section 125.03, subdivision 5.

The bill was read for the first time and referred to the Committee on Education.

Runbeck, Mariani, Thompson and Anderson, R. H., introduced:

H. F. No. 2198, A bill for an act relating to education; permitting a student to sign a waiver to attend a non-HECB registered school; amending Minnesota Statutes 1990, section 136A.63.

The bill was read for the first time and referred to the Committee on Education.

Trimble, Osthoff and Mariani introduced:

H. F. No. 2199, A bill for an act relating to the state lottery; requiring the director to conduct lottery games with tickets sold only at locations in St. Paul; providing that net proceeds from such games



be used only for youth programs in St. Paul; amending Minnesota Statutes 1991 Supplement, section 349A.10, subdivisions 3 and 5; proposing coding for new law in Minnesota Statutes, chapter 349A.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

McEachern, Brown, Janezich, Ogren and Schreiber introduced:

H. F. No. 2200, A bill for an act relating to taxation; providing for a refund of taxes on cigarettes and tobacco products if the tax is deemed to be a bad debt; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 297.

The bill was read for the first time and referred to the Committee on Taxes.

Bertram, Beard and Milbert introduced:

H. F. No. 2201, A bill for an act relating to veterans; clarifying admission standards for the Minnesota veterans homes; amending Minnesota Statutes 1990, section 198.022.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Cooper, Dorn, Bertram, Brown and Gruenes introduced:

H. F. No. 2202, A bill for an act relating to education; expanding the physician loan forgiveness program; establishing other health professional education programs; establishing a physician assistant training program; requiring studies; providing health education grants; appropriating money; amending Minnesota Statutes 1990, section 136A.1355, subdivisions 2 and 3; proposing coding for new law in Minnesota Statutes, chapters 136A, 137, and 144A.

The bill was read for the first time and referred to the Committee on Education.

Olson, E.; Ogren; Sviggum; Dauner and Dempsey introduced:

H. F. No. 2203, A bill for an act relating to taxation; providing for payment of certain in-lieu taxes; amending Minnesota Statutes 1990, sections 97A.061; and 477A.14.

The bill was read for the first time and referred to the Committee on Taxes.

Olson, E.; Ogren; Sviggum; Dauner and Dempsey introduced:

H. F. No. 2204, A bill for an act relating to taxation; property; providing for distribution of penalties and interest; amending Minnesota Statutes 1990, section 276.131.

The bill was read for the first time and referred to the Committee on Taxes.

Mariani, Trimble and O'Connor introduced:

H. F. No. 2205, A bill for an act relating to highways; directing the commissioner of transportation to erect a directional sign on interstate highway No. 94 in St. Paul.

The bill was read for the first time and referred to the Committee on Transportation.

Pugh, Carruthers, Limmer and Hasskamp introduced:

H. F. No. 2206, A bill for an act relating to courts; authorizing certain appearances in conciliation court; modifying and clarifying conciliation court jurisdiction and procedures; increasing jurisdictional amounts; amending Minnesota Statutes 1990, sections 487.30, subdivisions 1, 3a, 4, 7, and by adding subdivisions; 488A.12, subdivision 3; and 488A.29, subdivision 3; Minnesota Statutes 1991 Supplement, section 481.02, subdivision 3; repealing Minnesota Statutes 1990, section 487.30, subdivision 3.

The bill was read for the first time and referred to the Committee on Judiciary.

Pugh, Vellenga, Blatz, Bishop and Carruthers introduced:

H. F. No. 2207, A bill for an act relating to criminal justice information; creating a commission on criminal and juvenile justice information; creating a partnership council on criminal and juvenile justice information to advise and assist the commission; prescribing duties; requiring the preparation of a supplementary sex offender information statement for persons sentenced as patterned sex offenders; appropriating money; amending Minnesota Statutes 1990, section 609.1352, by adding a subdivision; proposing coding for new law as Minnesota Statutes, chapter 13C.

The bill was read for the first time and referred to the Committee on Judiciary.

Janezich introduced:

H. F. No. 2208, A bill for an act relating to occupations and professions; requiring sign contractors to be licensed by the state; establishing a sign contractors state advisory council; authorizing the commissioner of commerce to adopt rules; providing penalties; appropriating money; amending Minnesota Statutes 1990, section 116J.70, subdivision 2a; Minnesota Statutes 1991 Supplement, section 45.027, subdivisions 1, 2, 5, 6, 7, and 8; proposing coding for new law as Minnesota Statutes, chapter 326A.

The bill was read for the first time and referred to the Committee on Commerce.

Wejzman, Skoglund, Orenstein and Lourey introduced:

H. F. No. 2209, A bill for an act relating to child custody; establishing a commission to study and make recommendations on the law regarding removal of a child from the state by the custodial parent.

The bill was read for the first time and referred to the Committee on Judiciary.

Wejzman, Skoglund and Orenstein introduced:

H. F. No. 2210, A bill for an act relating to crimes; providing enhanced penalties for multiple violations of contractor fraud under mechanic's lien law; amending Minnesota Statutes 1990, section 514.02, subdivision 1.

The bill was read for the first time and referred to the Committee on Judiciary.

Bauerly introduced:

H. F. No. 2211, A bill for an act relating to crime; clarifying certain law enforcement powers; making technical corrections to the eligibility criteria for possession of a pistol; increasing penalties for the unlawful carrying of a pistol without a permit; amending Minnesota Statutes 1990, sections 169.98, subdivision 1a; 299D.06; 624.713, subdivision 1; and 624.714, subdivision 1.

The bill was read for the first time and referred to the Committee on Judiciary.

Greenfield introduced:

H. F. No. 2212, A bill for an act relating to appropriations; expanding the scope of a construction project at the Minnesota correctional facility – Lino Lakes; appropriating money.

The bill was read for the first time and referred to the Committee on Appropriations.

Greenfield; Segal; Rodosovich; Anderson, R., and Murphy introduced:

H. F. No. 2213, A bill for an act relating to health; changing home care licensure requirements; requiring persons who provide home management services to be registered, but not licensed; removing the fee exemption for local government providers; amending Minnesota Statutes 1990, sections 144A.43, subdivisions 3 and 4; and 144A.46, subdivision 5; Minnesota Statutes 1991 Supplement, section 144A.46, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 144A.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Clark, Solberg and Trimble introduced:

H. F. No. 2214, A bill for an act relating to human services; creating the section of American Indian programs on alcohol and drug abuse; outlining duties of the special assistant for American Indian programs; amending Minnesota Statutes 1990, section 254A.03, subdivision 2.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Farrell introduced:

H. F. No. 2215, A bill for an act relating to insurance; no-fault auto; regulating wage loss reimbursement coverage for disabled persons; amending Minnesota Statutes 1990, section 65B.491.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Farrell introduced:

H. F. No. 2216, A bill for an act relating to taxation; providing that

property be treated as a homestead under certain circumstances; amending Minnesota Statutes 1990, section 273.124, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Taxes.

Farrell, Orfield, Pugh and Bishop introduced:

H. F. No. 2217, A bill for an act relating to commerce; enacting the uniform franchise and business opportunities act; proposing coding for new law as Minnesota Statutes, chapter 80F; repealing Minnesota Statutes 1990, chapter 80C.

The bill was read for the first time and referred to the Committee on Commerce.

Rest, Solberg, Vellenga, Seaberg and Macklin introduced:

H. F. No. 2218, A bill for an act relating to juveniles; authorizing the issuance of state bonds to construct and remodel space at state juvenile correctional facilities for the secure confinement of dangerous juvenile offenders; authorizing victims of crimes committed by juveniles to have a supportive person present in the courtroom during the victim's testimony; appropriating money; amending Minnesota Statutes 1990, sections 242.19, subdivision 2; and 260.155, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Judiciary.

Johnson, A.; Kalis; Carruthers and Anderson, I., introduced:

H. F. No. 2219, A bill for an act relating to transportation; providing tax incentives for the use of alternative means of commuting; directing the regional transit board to establish a program to reduce traffic congestion; increasing the penalty for assaulting a transit operator; prohibiting right turns in front of buses; providing public transit operations priority in the event of an energy supply emergency; establishing a demonstration enforcement project for high occupancy vehicle lane use; amending Minnesota Statutes 1990, sections 169.19, subdivision 1; 216C.15, subdivision 1; 290.01, subdivision 19b, and by adding a subdivision; and 609.2231, by adding a subdivision; Minnesota Statutes 1991 Supplement, sections 169.346, subdivision 1; and 290.01, subdivision 19d; proposing coding for new law in Minnesota Statutes, chapters 290; and 473.

The bill was read for the first time and referred to the Committee on Transportation.

Dorn, Hausman, Ozment, Tunheim and Jacobs introduced:

H. F. No. 2220, A bill for an act relating to education; clarifying the meaning of "instruction offered on a noncredit basis" in excepting certain community education instructors from the definition of public employee; amending Minnesota Statutes 1991 Supplement, section 179A.03, subdivision 14.

The bill was read for the first time and referred to the Committee on Education.

Sparby; Olson, E.; Lieder and Dauner introduced:

H. F. No. 2221, A bill for an act relating to education; extending or exempting consolidating districts from the state aid penalty for failure to meet the deadline for collective bargaining agreements; amending Minnesota Statutes 1990, section 124A.22, subdivision 2a.

The bill was read for the first time and referred to the Committee on Education.

Carlson introduced:

H. F. No. 2222, A bill for an act relating to retirement; public employees defined contribution retirement plan; authorizing an election of plan coverage and purchase of prior service coverage for certain local elected officials.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Carruthers, McGuire and Limmer introduced:

H. F. No. 2223, A bill for an act relating to crime; requiring the juvenile court to retain records on delinquency adjudications until the offender's 26th birthday; prohibiting the deeming of a felony or gross misdemeanor conviction as a conviction for a lesser crime when certain sentences are imposed or stayed; requiring the sentencing guidelines commission to modify the calculation of certain criminal history scores; amending Minnesota Statutes 1990, section 260.161, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 609; repealing Minnesota Statutes 1990, section 609.13.

The bill was read for the first time and referred to the Committee on Judiciary.

Hasskamp, by request, introduced:

H. F. No. 2224, A bill for an act relating to snowmobiles; reducing registration fee for snowmobiles not operated on public trails; amending Minnesota Statutes 1991 Supplement, section 84.82, subdivision 3.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

O'Connor, Dawkins, Hausman, Orenstein and Trimble introduced:

H. F. No. 2225, A bill for an act relating to retirement; St. Paul police relief association; authorizing retirees and surviving spouses to participate in relief association board elections; amending Laws 1955, chapter 151, section 1, subdivision 3, as amended.

The bill was read for the first time and referred to the Committee on Governmental Operations.

O'Connor, Osthoff, Dawkins, Orenstein and Trimble introduced:

H. F. No. 2226, A bill for an act relating to retirement; St. Paul police relief association; validating a change in the date on which personal and benefit payments are made.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Tunheim introduced:

H. F. No. 2227, A bill for an act relating to taxation; adjusting the in-lieu payments for inflation; appropriating money; amending Minnesota Statutes 1990, section 477A.12.

The bill was read for the first time and referred to the Committee on Taxes.

Dauner; Schreiber; Anderson, I.; Bodahl and Olson, E., introduced:

H. F. No. 2228, A bill for an act relating to taxation; property;

extending the special levy for abatements to counties; amending Minnesota Statutes 1991 Supplement, section 275.50, subdivision 5.

The bill was read for the first time and referred to the Committee on Taxes.

Wagenius, Ogren, Munger, Battaglia and Ozment introduced:

H. F. No. 2229, A bill for an act relating to the environment; establishing an environmental cleanup program for landfills; authorizing the public facilities authority to make loans to counties for landfill closure; establishing a registration and registration fee system for priority toxic materials in consumer products and packaging to fund the landfill cleanup program; providing penalties; appropriating money; proposing coding for new law in Minnesota Statutes, chapters 115A; 115B; and 446A.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

McEachern and Rice introduced:

H. F. No. 2230, A bill for an act relating to education; authorizing a fund transfer for independent school district No. 885, St. Michael-Alberville.

The bill was read for the first time and referred to the Committee on Education.

Carruthers introduced:

H. F. No. 2231, A bill for an act relating to state government; regulating administrative rulemaking; providing for corrective legislation; requiring the attorney general and administrative law judge to disregard harmless errors; regulating dual notices; establishing an expedited procedure for federally mandated rules; amending Minnesota Statutes 1990, sections 3C.04, subdivision 4; 14.115, subdivision 5; 14.15, by adding a subdivision; 14.22; 14.26; and 14.32; proposing coding for new law in Minnesota Statutes, chapter 14.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Simoneau introduced:

H. F. No. 2232, A bill for an act relating to civil actions; including



arbitration awards under the collateral source statute; amending Minnesota Statutes 1990, section 548.36, subdivisions 1, 2, 3, and 4.

The bill was read for the first time and referred to the Committee on Judiciary.

Trimble, Ogren, Kalis and Dille introduced:

H. F. No. 2233, A bill for an act relating to taxation; exempting certain sales of air cooling equipment from the sales and use tax; clarifying that certain air cooling equipment will not increase the property's market value for purposes of property taxation; amending Minnesota Statutes 1990, section 297A.25, by adding a subdivision; Minnesota Statutes 1991 Supplement, section 273.11, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

McEachern introduced:

H. F. No. 2234, A bill for an act relating to taxation; property; excluding fire service levies by the city of Otsego from levy limits.

The bill was read for the first time and referred to the Committee on Taxes.

Rukavina, Begich, Sarna, Winter and Welle introduced:

H. F. No. 2235, A bill for an act relating to workers' compensation; regulating medical and rehabilitation benefits; providing penalties; amending Minnesota Statutes 1990, sections 176.011, subdivision 15; 176.102, subdivisions 1, 2, 3, 3a, 4, 6, 7, and 9; 176.103, subdivisions 2, 3, and by adding a subdivision; 176.135, subdivisions 1, 1a, 5, 6, and 7; 176.136, subdivisions 1, 2, and by adding subdivisions; 176.155, subdivision 1; and 176.83, subdivisions 5, 6, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 176; repealing Minnesota Statutes 1990, sections 176.135, subdivision 3; and 176.136, subdivision 5.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Hausman; Skoglund; Munger; Nelson, K., and Bauerly introduced:

H. F. No. 2236, A bill for an act relating to education; authorizing

the sale of bonds; proposing coding for new law in Minnesota Statutes, chapter 124C.

The bill was read for the first time and referred to the Committee on Education.

Janezich, Rukavina and McEachern introduced:

H. F. No. 2237, A bill for an act relating to alcoholic beverages; providing for the advertising of intoxicating liquor prices; amending Minnesota Statutes 1990, section 340A.507, subdivision 3.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Cooper; Winter; Anderson, R.; Lourey and Ogren introduced:

H. F. No. 2238, A bill for an act relating to health; requiring initiatives and program changes related to rural health; modifying rural hospital grant programs; establishing a rural health advisory committee; assigning duties to the office of rural health; modifying distribution of money in the emergency medical services system fund; creating an account for pediatric access and training; increasing medical assistance reimbursement to small hospitals and ambulance services; requiring studies; appropriating money; amending Minnesota Statutes 1990, sections 16A.124, by adding a subdivision; 43A.17, subdivision 9; 43A.23, by adding a subdivision; 144.147, subdivisions 1, 3, and 4; 144.581, subdivision 1, and by adding a subdivision; 144.8093; and 447.31, subdivisions 1 and 3; Minnesota Statutes 1991 Supplement, section 256.969, subdivision 20; proposing coding for new law in Minnesota Statutes, chapter 144.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Johnson, R.; Rukavina; Anderson, R.; Janezich and Anderson, I., introduced:

H. F. No. 2239, A bill for an act relating to natural resources; establishing a bill of rights for natural resource permit applicants; creating an office of ombudsman for natural resource permits; appropriating money; amending Minnesota Statutes 1991 Supplement, section 15A.081, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 84.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Rukavina, Begich, Sarna and Welle introduced:

H. F. No. 2240, A bill for an act relating to workers' compensation; regulating insurance; regulating the assigned risk plan; creating a health and safety fund; providing for fraud prevention; requiring the department to assist employees; providing for accident prevention and injury reduction; eliminating subsequent injury registration and reimbursement; appropriating money; amending Minnesota Statutes 1990, sections 79.251, by adding subdivisions; 79.252, subdivisions 1 and 3; 176.102, subdivision 3a; 176.103, subdivision 3; 176.106, subdivision 6; 176.129, subdivision 10; 176.130, subdivisions 8 and 9; 176.138; 176.139, subdivision 2; 176.181, subdivisions 3 and 7; 176.182; 176.185, subdivision 5a; 176.194, subdivisions 4 and 5; 176.221, subdivisions 3 and 3a; 176.231, subdivision 10; 176.261; 176.84, subdivision 2; 176A.03, by adding a subdivision; and 182.666, subdivision 7; proposing coding for new law in Minnesota Statutes, chapters 79 and 176; repealing Minnesota Statutes 1990, section 176.131.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Thompson, Bettermann, Hasskamp, Beard and Mariani introduced:

H. F. No. 2241, A bill for an act proposing an amendment to the Minnesota Constitution, article X, by adding a section; dedicating part of the sales tax to property tax relief; amending Minnesota Statutes 1991 Supplement, section 16A.711, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

McGuire, Leppik, Vellenga, Blatz and Long introduced:

H. F. No. 2242, A bill for an act relating to human rights; declaring a state policy of zero tolerance of violence; encouraging state agencies to act to implement the policy; proposing coding for new law in Minnesota Statutes, chapters 1 and 15.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Clark; Segal; Garcia; Olsen, S., and Henry introduced:

H. F. No. 2243, A bill for an act relating to human rights; declaring a state policy of zero tolerance of violence; encouraging state agencies to act to implement the policy; proposing coding for new law in Minnesota Statutes, chapters 1 and 15.

The bill was read for the first time and referred to the Committee on Governmental Operations.

McPherson, Lynch, Runbeck and Morrison introduced:

H. F. No. 2244, A bill for an act relating to human rights; declaring a state policy of zero tolerance of violence; encouraging state agencies to act to implement the policy; proposing coding for new law in Minnesota Statutes, chapters 1 and 15.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Lourey, Rest, Hasskamp, Kahn and Bettermann introduced:

H. F. No. 2245, A bill for an act relating to human rights; declaring a state policy of zero tolerance of violence; encouraging state agencies to act to implement the policy; proposing coding for new law in Minnesota Statutes, chapters 1 and 15.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Kelso, Murphy, Wagenius and Olson, K., introduced:

H. F. No. 2246, A bill for an act relating to human rights; declaring a state policy of zero tolerance of violence; encouraging state agencies to act to implement the policy; proposing coding for new law in Minnesota Statutes, chapters 1 and 15.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Johnson, A.; Wejcman; Pauly; Tompkins and Hausman introduced:

H. F. No. 2247, A bill for an act relating to human rights; declaring a state policy of zero tolerance of violence; encouraging state agencies to act to implement the policy; proposing coding for new law in Minnesota Statutes, chapters 1 and 15.

The bill was read for the first time and referred to the Committee on Governmental Operations.

O'Connor, Long, Boo, Kalis and Anderson, I., introduced:

H. F. No. 2248, A bill for an act relating to traffic regulations; motor vehicles; establishing system for the notification, recording, and collection of delinquent fines for parking violations; prohibiting registration of vehicle of owner who has not paid the fine for a parking violation; prohibiting issuance of warrants for parking violations; imposing a fee; appropriating money; amending Minnesota Statutes 1990, sections 169.95; and 169.99, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 168 and 169.

The bill was read for the first time and referred to the Committee on Transportation.

Frerichs, Pugh, Vellenga and Davids introduced:

H. F. No. 2249, A bill for an act relating to public safety officers; public safety officer's survivor benefits; clarifying the definition of the term "killed in the line of duty"; amending Minnesota Statutes 1990, section 299A.41, subdivision 3.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Carruthers introduced:

H. F. No. 2250, A bill for an act relating to public safety officer's survivor benefits; altering a definition; amending Minnesota Statutes 1990, section 299A.41, subdivision 3.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Olson, K.; Johnson, A.; Lourey; Henry and Sviggum introduced:

H. F. No. 2251, A bill for an act relating to state government; adopting the square dance as the American folk dance of Minnesota; proposing coding for new law in Minnesota Statutes, chapter 1.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Waltman and Sviggum introduced:

H. F. No. 2252, A bill for an act relating to disabled persons; reducing fee for Minnesota identification card for physically dis-

abled person; amending Minnesota Statutes 1991 Supplement, section 171.07, subdivision 3.

The bill was read for the first time and referred to the Committee on Transportation.

McGuire, Onnen, Gruenes, Dorn and Steensma introduced:

H. F. No. 2253, A bill for an act relating to occupations and professions; board of medical practice; clarifying requirements for granting medical licenses and for investigating physicians; amending Minnesota Statutes 1990, sections 147.131; and 147.161, subdivision 3; Minnesota Statutes 1991 Supplement, section 147.03.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Cooper, Ostrom, Leppik, Kelso and Gutknecht introduced:

H. F. No. 2254, A bill for an act relating to occupations and professions; clarifying membership requirements for the board of pharmacy; amending Minnesota Statutes 1991 Supplement, section 151.03.

The bill was read for the first time and referred to the Committee on Health and Human Services.

## MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Madam Speaker:

I have the honor to inform the House of Representatives that the Senate is ready to meet with the House of Representatives at 6:45 p.m., Thursday, March 5, 1992, to receive the supplemental budget message of the Honorable Arne H. Carlson, Governor of the State of Minnesota, said supplemental budget message to be delivered at 7:00 p.m., Thursday, March 5, 1992.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

I hereby announce the passage by the Senate of the following Senate File, herewith transmitted:

S. F. No. 1666.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 1666, A bill for an act relating to local government; authorizing county hospitals to undertake certain projects; amending various laws relating to contracts and conflicts of interest; amending Minnesota Statutes 1990, sections 376.08; 412.311; 412.691; 471.345, subdivisions 3, 4, and by adding a subdivision; and 471.88, subdivision 5; repealing Minnesota Statutes 1990, section 471.88, subdivision 8.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

### CONSENT CALENDAR

H. F. No. 1948, A bill for an act relating to life insurance; authorizing policies for the benefit of a charity; proposing coding for new law in Minnesota Statutes, chapters 61A; and 309.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Carlson	Garcia	Jacobs	Krambeer
Anderson, I.	Carruthers	Girard	Janezich	Krinkie
Anderson, R. H.	Clark	Goodno	Jaros	Krueger
Battaglia	Cooper	Gruenes	Jefferson	Lasley
Bauerly	Dauner	Gutknecht	Jennings	Leppik
Beard	Davids	Hanson	Johnson, A.	Lieder
Begich	Dawkins	Hartle	Johnson, R.	Limmer
Bertram	Dempsey	Hasskamp	Johnson, V.	Lourey
Bettermann	Dille	Haukoos	Kahn	Lynch
Bishop	Dorn	Hausman	Kalis	Macklin
Blatz	Erhardt	Heir	Kelso	Mariani
Bodahl	Farrell	Henry	Kinkel	Marsh
Boo	Frederick	Hufnagle	Knickerbocker	McEachern
Brown	Frerichs	Hugoson	Koppendraye	McGuire

McPherson	Omann	Rest	Solberg	Vellenga
Milbert	Onnen	Rice	Sparby	Wagenius
Morrison	Orenstein	Rodosovich	Stanius	Waltman
Munger	Orfield	Rukavina	Steensma	Weaver
Murphy	Osthoff	Runbeck	Sviggum	Wejcmán
Nelson, K.	Ostrom	Sarna	Swenson	Welker
Nelson, S.	Ozment	Schafer	Tompkins	Welle
Newinski	Pauly	Schreiber	Trimble	Wenzel
O'Connor	Pellow	Seaberg	Tunheim	Winter
Olsen, S.	Peterson	Simoneau	Uphus	Spk. Long
Olson, E.	Pugh	Skoglund	Valento	
Olson, K.	Reding	Smith	Vanasek	

The bill was passed and its title agreed to.

### GENERAL ORDERS

Welle moved that the bills on General Orders for today be continued. The motion prevailed.

### MOTIONS AND RESOLUTIONS

Bodahl moved that the name of Kelso be stricken and the name of Johnson, R., be added as an author on H. F. No. 1825. The motion prevailed.

Girard moved that the name of Dempsey be added as an author on H. F. No. 1881. The motion prevailed.

Bishop moved that the name of Orenstein be stricken and the name of Henry be added as an author on H. F. No. 2027. The motion prevailed.

Ostrom moved that the name of Schafer be added as an author on H. F. No. 2078. The motion prevailed.

Dawkins moved that H. F. No. 2076 be recalled from the Committee on Housing and be re-referred to the Committee on Judiciary. The motion prevailed.

Welle moved that H. F. No. 1982 be recalled from the Committee on Health and Human Services and be re-referred to the Committee on Judiciary. The motion prevailed.

Bishop moved that H. F. No. 1213 be returned to its author. The motion prevailed.



## ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to the committee to escort the Governor to the House Chamber for the Joint Convention on Thursday, March 5, 1992:

O'Connor, Clark, Lynch, Stanius and Welker.

## ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the following change in committee assignments:

Ways and Means: Add the name of Welle.

## ADJOURNMENT

Welle moved that when the House adjourns today it adjourn until 2:30 p.m., Monday, March 2, 1992. The motion prevailed.

Welle moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Monday, March 2, 1992.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



## STATE OF MINNESOTA

## SEVENTY-SEVENTH SESSION—1992

## SEVENTY-FIRST DAY

SAINT PAUL, MINNESOTA, MONDAY, MARCH 2, 1992

The House of Representatives convened at 2:30 p.m. and was called to order by Dee Long, Speaker of the House.

Prayer was offered by the Reverend Nancy Anderson, Pastor of United Church of Granite Falls, Minnesota.

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

The roll was called and the following members were present:

Abrams	Frederick	Kelso	Ogren	Skoglund
Anderson, I.	Frerichs	Kinkel	Olsen, S.	Smith
Anderson, R.	Garcia	Knickerbocker	Olson, E.	Solberg
Anderson, R. H.	Girard	Koppendrayer	Olson, K.	Sparby
Battaglia	Goodno	Krambeer	Omann	Stanius
Bauerly	Greenfield	Krinkie	Onnen	Steensma
Beard	Gruenes	Krueger	Orenstein	Sviggum
Begich	Gutknecht	Lasley	Orfield	Swenson
Bertram	Hanson	Leppik	Osthoff	Thompson
Bettermann	Hartle	Lieder	Ostrom	Tompkins
Bishop	Hasskamp	Limmer	Ozment	Trimble
Blatz	Haukoos	Lourey	Pauly	Tunheim
Bodahl	Hausman	Lynch	Pellow	Uphus
Boo	Heir	Macklin	Pelowski	Valento
Brown	Henry	Mariani	Peterson	Vanasek
Carlson	Hufnagle	Marsh	Pugh	Vellenga
Carruthers	Hugoson	McEachern	Reding	Wagenius
Clark	Jacobs	McGuire	Rest	Waltman
Cooper	Janezich	McPherson	Rice	Weaver
Dauner	Jaros	Milbert	Rukavina	Wejcman
Davids	Jefferson	Morrison	Runbeck	Welker
Dawkins	Jennings	Munger	Sarna	Welle
Dempsey	Johnson, A.	Murphy	Schafer	Wenzel
Dille	Johnson, R.	Nelson, K.	Schreiber	Winter
Dorn	Johnson, V.	Nelson, S.	Seaberg	Spk. Long
Erhardt	Kahn	Newinski	Segal	
Farrell	Kalis	O'Connor	Simoneau	

A quorum was present.

Rodosovich was excused.

The Chief Clerk proceeded to read the Journal of the preceding

day. Wagenius moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

## REPORTS OF STANDING COMMITTEES

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 295, A bill for an act relating to occupations and professions; establishing the professional counseling licensing board; requiring professional counselors to be licensed; providing penalties; appropriating money; amending Minnesota Statutes 1990, sections 148A.01, subdivision 5; 148B.01, subdivision 6, and by adding a subdivision; 148B.02, subdivision 1; 148B.40, subdivision 3; 214.01, subdivision 2; 214.04, subdivision 3; and 609.341, subdivision 17; proposing coding for new law in Minnesota Statutes, chapter 148B.

Reported the same back with the following amendments:

Page 1, delete section 2

Pages 2 and 3, delete sections 4 and 5

Page 4, after line 11, insert:

“Professional counseling does not include activities or services undertaken by persons listed in section 14.”

Page 4, line 33, after “enforce” insert “emergency and permanent”

Page 5, line 28, delete “planned graduate” and insert “master’s degree” and delete the second “of” and insert a comma

Page 5, delete line 29

Page 5, line 33, after “of” insert “postgraduate”

Page 6, line 36, delete “two” and insert “three” and delete “1991” and insert “1992”

Page 8, line 12, delete “[148B.60]” and insert “[148B.591]”

Page 8, line 25, delete “[148B.61]” and insert “[148B.592]”

Page 8, line 31, delete “members of”

Page 8, line 32, delete "the clergy,"

Page 9, after line 32, insert:

"Subd. 6. [CLERGY.] Nothing in sections 3 to 15 limits the activities and services of a rabbi, priest, minister, or clergy person of any religious denomination or sect provided such activities and services are within the scope of the performance of regular or specialized ministerial duties."

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

Page 9, line 35, delete everything after "of" and insert "persons offering volunteer or professional services"

Page 9, line 36, delete everything before "for"

Page 10, line 2, delete "[148B.62]" and insert "[148B.593]"

Page 10, after line 14, insert:

"Sec. 16. Minnesota Statutes 1991 Supplement, section 148B.60, subdivision 3, is amended to read:

Subd. 3. [UNLICENSED MENTAL HEALTH PRACTITIONER OR PRACTITIONER.] "Unlicensed mental health practitioner" or "practitioner" means a person who provides or purports to provide, for remuneration, mental health services as defined in subdivision 4. It does not include persons licensed by the board of medical examiners under chapter 147; the board of nursing under sections 148.171 to 148.285; the board of psychology under sections 148.88 to 148.98; the board of social work under sections 148B.18 to 148B.28; the board of marriage and family therapy under sections 148B.29 to 148B.39; the professional counseling licensing board under sections 3 to 15; or another licensing board if the person is practicing within the scope of the license; or members of the clergy who are providing pastoral services in the context of performing and fulfilling the salaried duties and obligations required of a member of the clergy by a religious congregation. For the purposes of complaint investigation or disciplinary action relating to an individual practitioner, the term includes:

(1) hospital and nursing home social workers exempt from licensure by the board of social work under section 148B.28, subdivision 6, including hospital and nursing home social workers acting within the scope of their employment by the hospital or nursing home;

(2) persons employed by a program licensed by the commissioner of human services who are acting as mental health practitioners within the scope of their employment;

(3) persons employed by a program licensed by the commissioner of human services who are providing chemical dependency counseling services; persons who are providing chemical dependency counseling services in private practice; and

(4) clergy who are providing mental health services that are equivalent to those defined in subdivision 4.”

Page 10, delete section 20 and insert:

“Sec. 18. Minnesota Statutes 1991 Supplement, section 214.04, subdivision 3, is amended to read:

Subd. 3. The executive director of each health-related board and the executive secretary of each non-health-related board shall be the chief administrative officer for the board but shall not be a member of the board. The executive director or executive secretary shall maintain the records of the board, account for all fees received by it, supervise and direct employees servicing the board, and perform other services as directed by the board. The executive directors, executive secretaries, and other employees of the following boards shall be hired by the board, and the executive directors or executive secretaries shall be in the unclassified civil service, except as provided in this subdivision:

- (1) dentistry;
- (2) medical examiners;
- (3) nursing;
- (4) pharmacy;
- (5) accountancy;
- (6) architecture, engineering, land surveying, and landscape architecture;
- (7) barber examiners;
- (8) cosmetology;
- (9) electricity;
- (10) teaching;
- (11) peace officer standards and training;
- (12) social work; ~~and~~

(13) marriage and family therapy; and

(14) professional counseling.

The executive directors or executive secretaries serving the boards are hired by those boards and are in the unclassified civil service, except for part-time executive directors or executive secretaries, who are not required to be in the unclassified service. Boards not requiring full-time executive directors or executive secretaries may employ them on a part-time basis. To the extent practicable, the sharing of part-time executive directors or executive secretaries by boards being serviced by the same department is encouraged. Persons providing services to those boards not listed in this subdivision, except executive directors or executive secretaries of the boards and employees of the attorney general, are classified civil service employees of the department servicing the board. To the extent practicable, the commissioner shall ensure that staff services are shared by the boards being serviced by the department. If necessary, a board may hire part-time, temporary employees to administer and grade examinations.”

Page 12, line 23, delete “1992” and insert “1993”

Page 12, line 25, delete “22” and insert “20”

Renumber the sections in sequence

Correct internal references

Amend the title as follows:

Page 1, line 7, delete “subdivision 6, and”

Page 1, delete line 8

Page 1, line 9, delete “214.04, subdivision 3;”

Page 1, line 10, after the semicolon insert “Minnesota Statutes 1991 Supplement, sections 148B.60, subdivision 3; and 214.04, subdivision 3;”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 443, A bill for an act relating to human services; establishing a board of chemical dependency counselors; licensing and regulating chemical dependency counselors; providing penalties; appropriating money; amending Minnesota Statutes 1990, section 595.02, subdivision 1; proposing coding for new law as Minnesota Statutes, chapter 148C.

Reported the same back with the following amendments:

Page 8, line 31, after the period insert “Hospital chemical dependency counselors who are not licensed under sections 1 to 11 may use the title “hospital chemical dependency counselor” while acting within the scope of their employment.”

Page 9, delete lines 16 to 22, and insert:

“Subd. 3. [CITY, COUNTY, AND STATE GOVERNMENT CHEMICAL DEPENDENCY COUNSELORS.] The licensing of chemical dependency counselors who are employed by city, county, or state government shall be voluntary. Cities, counties, and the state shall not be required to employ licensed chemical dependency counselors, nor shall they require their chemical dependency counselors to be licensed.”

Page 9, line 24, before “The” insert “(a)”

Page 9, line 26, delete everything after “tribes”

Page 9, delete lines 27 and 28

Page 9, line 29, delete everything before “shall”

Page 9, after line 29 insert:

“(b) The board shall develop special licensing criteria for issuance of a license to chemical dependency counselors who: (1) are members of ethnic minority groups; and (2) are employed by private, nonprofit agencies, including agencies operated by private, nonprofit hospitals, whose primary agency service focus addresses ethnic minority populations. These licensing criteria may differ from the licensing criteria specified in section 4. To develop these criteria, the board shall establish a committee comprised of representatives from the council on hearing impaired, the council on affairs of Spanish-speaking people, the council on Asian-Pacific Minnesotans, the council on Black Minnesotans, and the Indian affairs council.



Subd. 5. [HOSPITAL CHEMICAL DEPENDENCY COUNSELORS.] Except as provided in subdivision 4, paragraph (b), the licensing of hospital chemical dependency counselors shall be voluntary. Hospitals employing chemical dependency counselors shall not be required to employ licensed chemical dependency counselors, nor shall they require their chemical dependency counselors to be licensed.

Page 14, line 3, delete "1991" and insert "1992"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 1701, A bill for an act relating to railroads; authorizing expenditure of rail service improvement account money for maintenance of rail lines and rights-of-way in the rail bank; authorizing the commissioner of transportation to acquire abandoned rail lines and rights-of-way by eminent domain; eliminating requirement to offer state rail bank property to adjacent land owners; amending Minnesota Statutes 1990, sections 222.50, subdivision 7; 222.63, subdivisions 2, 2a, and 4; repealing Minnesota Statutes 1990, section 222.63, subdivision 5.

Reported the same back with the following amendments:

Page 2, line 5, delete "or"

Page 2, line 8, before the period insert "; and

(g) To pay a portion of the costs of rail-highway grade crossing improvement projects"

Page 2, line 19, restore the stricken language

With the recommendation that when so amended the bill pass.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 1763, A bill for an act relating to state lands; authorizing the conveyance or release of a state easement in Faribault.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Anderson, I., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 1825, A bill for an act relating to local government; amending various laws relating to contracts and conflicts of interest; amending Minnesota Statutes 1990, sections 412.311; 412.691; 471.345, subdivisions 3, 4, and by adding a subdivision; and 471.88, subdivision 5; repealing Minnesota Statutes 1990, section 471.88, subdivision 8.

Reported the same back with the following amendments:

Page 1, after line 8, insert:

“Section 1. Minnesota Statutes 1990, section 376.08, is amended to read:

376.08 [COUNTIES, APPROPRIATIONS FOR HOSPITALS AND NURSING HOMES.]

Subdivision 1. [APPROPRIATIONS.] Except as provided in subdivision 2, the board of county commissioners in any county with a population of 50,000 or less may appropriate up to \$65,000 annually from the general revenue fund of the county for the acquisition of lands for hospital purposes, and the construction, improvement, alterations, equipment and maintenance of hospitals within the county. The board may also appropriate up to \$25,000 from the general revenue fund of the county for the acquisition of land and construction of municipally owned nursing homes within the county.

Subd. 2. [REMODELING OR ADDITIONS.] A county hospital may by majority vote of its board of commissioners enter into projects for the construction of an addition or remodeling to its presently existing facility or the acquisition of equipment as described in this subdivision without complying with the dollar limitation of subdivision 1 or the election requirements of section

376.03. This subdivision applies only to projects in which the funds for the project are derived from dedicated, restricted, or other designated accounts or the hospital's depreciation fund and do not require incurring debt by the county through the issuance of bonds or otherwise. An addition to a current hospital under this subdivision may include construction of buildings physically separate from the present hospital building, as well as additions to the present building, if the new buildings are constructed on the hospital's existing premises.

This subdivision does not affect the ability of the hospital board to approve funds for improvements or remodeling of a hospital facility under other law.

Subd. 3. [LIMITATION ON HOSPITAL CAPACITY.] Section 144.551 applies to any project authorized by subdivision 2. Subdivision 2 does not authorize an increase in the license capacity of the hospital or the licensing, relocation, or redistribution of hospital beds except as provided by section 144.551, subdivision 1, paragraph (b)."

Page 2, line 5, delete "\$....." and insert "\$15,000"

Page 2, line 15, delete "\$....." and insert "\$25,000"

Page 2, line 16, delete "\$....." and insert "\$25,000"

Page 2, line 26, delete "\$....." and insert "\$25,000"

Page 2, line 28, delete "\$....." and insert "\$25,000"

Pages 2 and 3, delete sections 5 and 6, and insert:

"Sec. 6. Minnesota Statutes 1990, section 471.981, subdivision 5, is amended to read:

Subd. 5. A town political subdivision may use a self-insurance revolving fund or pool to discharge the bond requirements provided by chapter 367 for the town clerk and treasurer law for its officers and employees."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon insert "authorizing county hospitals to undertake certain projects;"

Page 1, line 4, after "sections" insert "376.08;"

Page 1, line 5, delete the second comma and insert "and" and delete everything after "4"

Page 1, line 6, delete everything before the second semicolon and insert "; and 471.981, subdivision 5"

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, I., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 1911, A bill for an act relating to Hubbard county; authorizing the private sale of certain land which was exchanged for tax-forfeited land.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 1934, A bill for an act relating to housing; modifying requirements for lead education, assessment, screening, and abatement; transferring rule authority from the commissioner of the pollution control agency to the commissioner of health; establishing a lead abatement account in the housing development fund; creating a lead abatement and training program; establishing a lead abatement program; creating a lead fund; establishing a lead abatement fee on petroleum storage tanks; establishing a paint tax; providing penalties; amending Minnesota Statutes 1990, sections 144.871, subdivisions 3, 6, 8, and by adding subdivisions; 144.872, subdivisions 1, 2, 4, and by adding a subdivision; 144.873, subdivisions 2 and 3; 144.876; and 144.878, subdivision 2, and by adding a subdivision; 462A.21, by adding a subdivision; Minnesota Statutes 1991 Supplement, sections 144.871, subdivision 2; 144.873, subdivision 1; 144.874, subdivisions 1, 2, 3, and 12; and 462A.05, subdivision 15c; proposing coding for new law in Minnesota Statutes, chapters 115C; and 268; proposing coding for new law as Minnesota Statutes, chapter 297E; repealing Minnesota Statutes 1990, sections 116.51; 116.52; 116.53, subdivision 1; and 144.878, subdivision 4.

Reported the same back with the following amendments:

Page 1, after line 28, insert:

“Section 1. [LIMITED APPROPRIATIONS.]

Within the limits of legislative appropriations, the commissioner of health shall be responsible for the requirements of this act.”

Page 3, line 24, after “includes” insert “information on”

Page 3, line 25, delete everything after “sources”

Page 3, line 26, delete “services.”

Page 3, line 32, after “commissioner” insert “, in cooperation with boards of health,”

Page 3, line 33, after “education” insert “information”

Page 4, line 2, delete everything after “Ongoing”

Page 4, line 3, delete “including” and insert “that includes health, lead cleanup, and”

Page 4, line 10, after “advocates” insert “and public health nurses”

Page 4, line 16, delete the second “rights” and insert “resources”

Page 4, line 18, before “The” insert “If the family moves or has moved to a new residence, services in this section must be provided at the new residence.”

Page 4, line 24, after “health” insert “, who may determine priority for responding to cases of elevated blood lead levels,” and delete “and”

Page 4, line 25, delete the new language

Page 4, line 34, before “Within” insert “The commissioner or boards of health must identify the known addresses for the previous 12 months of the child or pregnant woman with elevated blood lead levels and notify the property owners at those addresses. The commissioner may also collect information on the race, sex, and family income of children and pregnant women with elevated blood lead levels.”

Page 5, after line 7, insert:

“Sec. 11. Minnesota Statutes 1990, section 144.872, subdivision 3, is amended to read:

Subd. 3. [SAFE HOUSING.] The commissioner shall contract with boards of health for safe housing to be used in meeting relocation requirements in section 144.874, subdivision 4. The commissioner shall, within available appropriations, award grants to boards of health for the purposes of paying housing costs under section 144.874, subdivision 4.”

Page 5, line 13, delete everything after “organizations”

Page 5, line 14, delete “certified trainers”

Page 5, line 18, before “Equipment” insert “Grantees may work with licensed lead abatement contractors and certified trainers to meet the requirements of this program.”

Page 5, line 35, after “shall” insert “, within the limits of available appropriations.”

Page 5, line 36, after “contract” insert “, with boards of health who may determine priority for responding to cases of blood lead levels,”

Page 6, line 15, before “other” insert “the date of the test, and the current address and birthdate of the patient, and”

Page 6, lines 18 and 19, delete the new language and strike “the date of the test and the”

Page 6, line 20, strike “of the patient” and delete the new language

Page 6, delete lines 21 to 24

Page 7, line 36, reinstate the stricken language and after “purchase” insert “by January 1, 1993,”

Page 9, after line 3, insert:

“Sec. 20. Minnesota Statutes 1990, section 144.874, subdivision 4, is amended to read:

Subd. 4. [RELOCATION OF RESIDENTS.] A board of health must ensure that residents are relocated from rooms or dwellings during abatement that generates leaded dust, such as removal or disruption of lead-based paint or plaster that contains lead. Residents must be allowed to return to the residence or dwelling after completion of abatement. A board of health shall use grant funds under section 144.872, subdivision 3 to pay for: (1) moving and housing costs for

any resident temporarily relocated during lead abatement; and (2) moving costs and damage deposit or first month rent for residents who permanently lose their housing due to lead contamination. Payments under this section must not exceed \$500 per household."

Page 10, delete lines 1 to 12, and insert:

"Subd. 2. [LICENSED BUILDING CONTRACTOR; INFORMATION.] The commissioner shall provide health and safety information on lead abatement to all residential building contractors licensed under section 326.84. The information must include material on ways to protect the health and safety of both employees working on lead contaminated structures and residents of lead contaminated structures."

Page 12, after line 2, insert:

"Sec. 25. Minnesota Statutes 1991 Supplement, section 326.87, subdivision 1, is amended to read:

Subdivision 1. [STANDARDS.] The commissioner, in consultation with the council, may adopt standards for continuing education requirements and course approval. Except for the course content, the standards must be consistent with the standards established for real estate agents and other professions licensed by the department of commerce. At a minimum, the content of one hour of any required continuing education must contain information on lead abatement rules and safe lead abatement procedures."

Page 12, line 31, delete "statutory or home rule charter" and after "city" insert ", board of health, a community health department"

Page 13, line 23, after "awarded" insert "only"

Page 14, line 32, after "finance," insert "the pollution control agency,"

Page 14, line 33, after "education" insert ", and a board of health" and delete "11" and insert "nine"

Page 14, line 34, after "members" insert ", including two from communities of color,"

Page 14, line 35, after "represent" insert "separate"

Page 15, line 2, delete everything after the colon and insert "a community action agency, a labor organization, a local housing authority, a Legal Aid Society,"

Page 15, delete line 3

Page 15, line 7, before "contractors" and "program" insert "lead abatement"

Page 16, line 36, after "done" delete "under the supervision of" and insert "by licensed lead abatement contractors. All craft work that requires a state license must be supervised by" and delete "completed"

Page 17, line 1, delete "approved registered apprenticeship" and insert "license"

Page 18, lines 16 to 21, delete the new language and insert:

"The agency may require a property owner, as a condition of receiving a grant or loan under this section, to enter into an agreement requiring that, for a period of two years, the owner will not increase rents on a property solely as a result of property improvements made with funds under this section."

Page 19, line 6, before "subject" insert "(1)"

Page 19, line 7, after "3" insert ", and (2) located within Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, Washington, or St. Louis counties"

Page 19, line 35, after "programs" insert "of which 75 percent must be used for contracts or grants with local boards of health giving funding priority to boards of health with the largest number of cases of elevated blood lead levels in children and pregnant women"

Renumber the sections in sequence

Correct internal references

Amend the title as follows:

Page 1, line 14, after "2," insert "3,"

Page 1, line 15, after the first semicolon insert "144.874, subdivision 4;"

Page 1, line 19, after "12;" insert "326.87, subdivision 1;"

With the recommendation that when so amended the bill pass and



be re-referred to the Committee on Environment and Natural Resources.

The report was adopted.

Anderson, I., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 1976, A bill for an act relating to Olmsted county; permitting certain exemptions for the conveyance of certain county property.

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

The report was adopted.

Anderson, I., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 1989, A bill for an act relating to Traverse county; excusing the county from the obligation to pay certain fees to the attorney general.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2084, A bill for an act relating to state government; requiring state agencies to act on permit and license applications within 60 days; proposing coding for new law in Minnesota Statutes, chapter 15.

Reported the same back with the following amendments:

Page 1, line 11, delete "shorter" and insert "different"

With the recommendation that when so amended the bill pass.

The report was adopted.

## **SECOND READING OF HOUSE BILLS**

H. F. Nos. 1701, 1763, 1825, 1911, 1989 and 2084 were read for the second time.

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

The following House Files were introduced:

Bertram, Dorn, Carlson and Limmer introduced:

H. F. No. 2255, A bill for an act relating to economic development; providing for the allocation of bonding authority; amending Minnesota Statutes 1991 Supplement, sections 474A.03, subdivision 2a; and 474A.091, subdivision 3.

The bill was read for the first time and referred to the Committee on Economic Development.

Winter, McGuire, Bodahl, Steensma and Skoglund introduced:

H. F. No. 2256, A bill for an act relating to government purchasing; requiring the state to purchase, use, and require contractors to use, packing materials made of renewable resources, banning the use and disposal of loose foam polystyrene packing materials; proposing coding for new law in Minnesota Statutes, chapters 16B and 115A.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Jefferson and Simoneau introduced:

H. F. No. 2257, A bill for an act relating to retirement; authorizing purchase of prior service credit from the teachers retirement association by a certain employee of independent school district No. 197.

The bill was read for the first time and referred to the Committee on Governmental Operations.

McEachern; Bauerly; Johnson, A.; Nelson, K., and Pelowski introduced:

H. F. No. 2258, A bill for an act relating to education; information management; clarifying provisions regarding reporting, assembly, and transmission related to certain data of the department of education; amending Minnesota Statutes 1991 Supplement, sections 121.932, subdivisions 2 and 5; 121.935, subdivisions 1 and 6; repealing Minnesota Statutes 1991 Supplement, section 121.935, subdivisions 7 and 8; and Laws 1991, chapter 265, article 9, section 73.

The bill was read for the first time and referred to the Committee on Education.

Reding introduced:

H. F. No. 2259, A bill for an act relating to retirement; setting an earlier accrual date for a certain retired member of the state retirement system.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Bodahl introduced:

H. F. No. 2260, A bill for an act relating to occupations and professions; providing that the board of abstracters may place a licensee in inactive status; amending Minnesota Statutes 1990, section 386.69.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Winter, Sparby, Reding and Goodno introduced:

H. F. No. 2261, A bill for an act relating to state government; executive council; regulating depositories for state funds; amending Minnesota Statutes 1990, section 9.031, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 9; repealing Minnesota Statutes 1990, section 9.031, subdivisions 1, 2, 3, 4, 5, and 10.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Olson, E., introduced:

H. F. No. 2262, A bill for an act relating to taxation; providing for elimination of tax-forfeited property from assessment rolls; amending Minnesota Statutes 1991 Supplement, section 272.02, subdivision 4.

The bill was read for the first time and referred to the Committee on Taxes.

Janezich, Schreiber and Dauner introduced:

H. F. No. 2263, A bill for an act relating to human services; providing for state takeover of the county share of the costs of growth in emergency general assistance; negotiated rate facility payments and emergency assistance; amending Minnesota Statutes 1991 Supplement, section 256.025, subdivision 3.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Rukavina introduced:

H. F. No. 2264, A bill for an act relating to education; restricting school district levy referenda to the year before the levy increase commences; amending Minnesota Statutes 1991 Supplement, section 124A.03, subdivision 2.

The bill was read for the first time and referred to the Committee on Education.

Cooper, Rodosovich, Dauner, Dorn and Boo introduced:

H. F. No. 2265, A bill for an act relating to health; specifying timelines for the disposal of cremated remains; modifying standards for county payment of funeral expenses; amending Minnesota Statutes 1991 Supplement, sections 256.935, subdivision 1; and 261.035; proposing coding for new law in Minnesota Statutes, chapter 149.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Reding; Johnson, R., and Haukoos introduced:

H. F. No. 2266, A bill for an act relating to retirement; inclusion of technical college teachers in the law governing individual retirement accounts; amending Minnesota Statutes 1990, sections 354.05,

subdivision 2a; 354B.01, subdivision 1, and by adding subdivisions; 354B.015; 354B.02; 354B.03, subdivisions 1 and 3; 354B.05; and 356.24; proposing coding for new law in Minnesota Statutes, chapter 354B.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Steensma introduced:

H. F. No. 2267, A bill for an act relating to the environment; expanding the eligibility of cities and towns for reimbursement from the petroleum tank release cleanup account; amending Minnesota Statutes 1990, section 115C.09, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Pelowski and Dorn introduced:

H. F. No. 2268, A bill for an act relating to education; authorizing the elementary and secondary school year to commence before Labor Day in 1992.

The bill was read for the first time and referred to the Committee on Education.

Garcia and Henry introduced:

H. F. No. 2269, A bill for an act relating to metropolitan government; requiring the metropolitan airports commission to budget for noise mitigation; setting property acquisition conditions; amending Minnesota Statutes 1990, section 473.661, subdivision 1, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Omamm introduced:

H. F. No. 2270, A bill for an act relating to taxation; delaying increases in valuation of newly platted land; amending Minnesota Statutes 1991 Supplement, section 273.11, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

Kahn, Pugh, McGuire, Swenson and Osthoff introduced:

H. F. No. 2271, A bill for an act relating to metropolitan government; providing funds for the operation and maintenance of metropolitan area regional parks; appropriating money.

The bill was read for the first time and referred to the Committee on Appropriations.

Kahn, Simoneau, Solberg, Osthoff and Abrams introduced:

H. F. No. 2272, A bill for an act relating to elections; suspending certain provisions relating to campaign contributions and public subsidies as they relate to major political parties; requiring major political parties to certify their compliance with apportionment and delegate selection requirements; proposing coding for new law in Minnesota Statutes, chapter 10A.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Cooper, Rodosovich, Greenfield, Lynch and Orenstein introduced:

H. F. No. 2273, A bill for an act relating to mental health; adding licensed marriage and family therapists to the list of qualified mental health professionals; amending Minnesota Statutes 1991 Supplement, sections 245.462, subdivision 18; and 245.4871, subdivision 27.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Dorn, Lynch, Leppik and Pelowski introduced:

H. F. No. 2274, A bill for an act relating to data; providing for disclosure of data between the commissioners of revenue and human services to determine telephone assistance plan eligibility; amending Minnesota Statutes 1990, section 270B.14, subdivision 1; Minnesota Statutes 1991 Supplement, section 13.46, subdivision 2.

The bill was read for the first time and referred to the Committee on Judiciary.

Clark; Anderson, R.; Rodosovich; Orenstein and Murphy introduced:

H. F. No. 2275, A bill for an act relating to health; creating the

Minnesota health assurance board and the department of health care access; establishing the Minnesota health assurance plan; creating a health care analysis unit; requiring research and data collection initiatives; restricting underwriting and premium rating practices; appropriating money; amending Minnesota Statutes 1990, sections 15.06, subdivision 1; and 43A.08, subdivision 1a; proposing coding for new law as Minnesota Statutes, chapter 62K.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Smith, Davids, Heir, Goodno and Bettermann introduced:

H. F. No. 2276, A bill for an act relating to health; suspending the eligibility of legislators and the governor to participate in state financed health insurance plans until the enactment of a health insurance reform bill.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Nelson, K.; Skoglund; Trimble and Bauerly introduced:

H. F. No. 2277, A bill for an act relating to education; authorizing the designation of model sites for counselor and social worker programs offered collaboratively at the elementary school level; proposing coding for new law in Minnesota Statutes, chapter 124C.

The bill was read for the first time and referred to the Committee on Education.

Bettermann; Olsen, S.; Clark; McPherson and Garcia introduced:

H. F. No. 2278, A bill for an act relating to health; requiring a program to promote the long-term development of children and to prevent abuse; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 145.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Lynch, Wejeman, Henry, Tompkins and Pauly introduced:

H. F. No. 2279, A bill for an act relating to health; requiring a program to promote the long-term development of children and to prevent abuse; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 145.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Rukavina introduced:

H. F. No. 2280, A bill for an act authorizing a conveyance of state lands to the city of Biwabik.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Rukavina introduced:

H. F. No. 2281, A bill for an act relating to unemployment compensation; permitting certain employees of educational institutions to receive benefits between academic years and terms; amending Minnesota Statutes 1991 Supplement, section 268.08, subdivision 6.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Rukavina, Janezich and Begich introduced:

H. F. No. 2282, A bill for an act relating to outdoor recreation; granting counties an option to decline to participate in the distribution of snowmobile and all-terrain vehicle trail grant-in-aid funds; amending Minnesota Statutes 1990, sections 84.83, by adding a subdivision; and 85.018, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Johnson, A.; Kelso; Jefferson and Welle introduced:

H. F. No. 2283, A bill for an act relating to the legislature; declaring a state policy for children, youth, and their families; amending the responsibilities of the legislative commission on children, youth, and their families; appropriating money; amending Minnesota Statutes 1991 Supplement, section 3.873, subdivisions 1, 4, 5, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Education.



Bauerly, Vellenga, Blatz, Simoneau and Dempsey introduced:

H. F. No. 2284, A bill for an act relating to the legislature; declaring a state policy for children, youth, and their families; amending the responsibilities of the legislative commission on children, youth, and their families; appropriating money; amending Minnesota Statutes 1991 Supplement, section 3.873, subdivisions 1, 4, 5, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Education.

Tunheim introduced:

H. F. No. 2285, A bill for an act relating to unemployment compensation; requiring waiver of certain benefit overpayments; amending Minnesota Statutes 1990, section 268.18, subdivision 1.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Boo and Rodosovich introduced:

H. F. No. 2286, A bill for an act relating to human services; requiring reporting of legally blind persons to Minnesota state services for the blind and visually handicapped; proposing coding for new law in Minnesota Statutes, chapter 248.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Jefferson and Reding introduced:

H. F. No. 2287, A bill for an act relating to retirement; local police and salaried firefighter relief associations; eliminating eligibility for amortization state aid and supplementary amortization state aid for relief associations and consolidation accounts with no unfunded actuarial accrued liability; amending Minnesota Statutes 1991 Supplement, section 423A.02.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Johnson, R.; Kinkel; Lieder; Olson, E., and Solberg introduced:

H. F. No. 2288, A bill for an act relating to public debt; providing

for the construction of the Northwest Juvenile Training Center; appropriating money.

The bill was read for the first time and referred to the Committee on Appropriations.

Olson, E.; Anderson, I.; Ogren; Rest and Milbert introduced:

H. F. No. 2289, A bill for an act proposing an amendment to the Minnesota Constitution, article X, by adding a section; dedicating part of the sales tax to property tax relief; amending Minnesota Statutes 1991 Supplement, section 16A.711, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

Sparby; Johnson, R.; Wenzel; Garcia and Bauerly introduced:

H. F. No. 2290, A bill for an act proposing an amendment to the Minnesota Constitution, article X, by adding a section; dedicating part of the sales tax to property tax relief; amending Minnesota Statutes 1991 Supplement, section 16A.711, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

Kinkel, Dauner, Brown, Jacobs and Nelson, S., introduced:

H. F. No. 2291, A bill for an act proposing an amendment to the Minnesota Constitution, article X, by adding a section; dedicating part of the sales tax to property tax relief; amending Minnesota Statutes 1991 Supplement, section 16A.711, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

Bodahl, Kelso, Lasley, Steensma and Ostrom introduced:

H. F. No. 2292, A bill for an act proposing an amendment to the Minnesota Constitution, article X, by adding a section; dedicating part of the sales tax to property tax relief; amending Minnesota Statutes 1991 Supplement, section 16A.711, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

Greenfield; Rodosovich; Anderson, R.; Murphy and Segal introduced:

H. F. No. 2293, A bill for an act relating to health; extending the deadline for commencing construction of a nursing home project that was granted a nursing home moratorium exception; amending Minnesota Statutes 1990, section 144A.073, subdivision 3a.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Farrell introduced:

H. F. No. 2294, A bill for an act relating to occupations and professions; establishing a board of plumbing; preempting certain local units of government from licensing plumbers; providing administrative remedies; providing penalties; appropriating money; amending Minnesota Statutes 1990, sections 214.01, subdivision 3; 326.01, subdivision 9; 326.37; 326.38; 326.39; 326.40; 326.401, subdivisions 2, 3, and by adding a subdivision; 326.405; 326.41; 326.42; and 326.44; Minnesota Statutes 1991 Supplement, section 214.04, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 326; repealing Minnesota Statutes 1990, sections 325F.75, subdivision 2; and 326.45.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Sparby; Pelowski; Lieder; Nelson, S., and Welle introduced:

H. F. No. 2295, A bill for an act relating to workers' compensation; providing a new general system of law for the compensation of employment related injuries; providing rights, duties, and remedies; providing for administration and procedure; permitting adoption of administrative rules; modifying insurance regulations; appropriating money; amending Minnesota Statutes 1990, sections 79.01, subdivision 1; 79.074, by adding subdivisions; 79.252, by adding a subdivision; 79.50; 79.59; and 176A.03, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 79; proposing coding for new law as Minnesota Statutes, chapter 176C; repealing Minnesota Statutes 1990, section 175.007.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Janezich, Begich, Battaglia, Rukavina and Murphy introduced:

H. F. No. 2296, A bill for an act relating to utilities; energy

conservation improvements; permitting regulated utilities to count expenditures on energy conservation by certain large industrial customers toward the utilities' required expenditures on energy conservation improvements; amending Minnesota Statutes 1991 Supplement, section 216B.241, subdivisions 1a and 2.

The bill was read for the first time and referred to the Committee on Energy.

Pugh introduced:

H. F. No. 2297, A bill for an act relating to real property; abolishing issuance of duplicate certificates of title and duplicate CPTs for use by lessees and mortgagees of registered land; increasing registration fees; providing that part of registration fees be deposited in county recorder's equipment fund for 1992 and 1993; appropriating money; amending Minnesota Statutes 1990, sections 508.44, subdivision 2; 508.45; 508.55; 508.56; 508.57; 508.59; 508.71, subdivision 6; 508.835; 508A.11, subdivision 3; 508A.44, subdivision 2; 508A.45; 508A.55; 508A.56; 508A.57; 508A.59; 508A.71, subdivision 6; 508A.835; and 508A.85, subdivision 3; Minnesota Statutes 1991 Supplement, sections 508.82; and 508A.82.

The bill was read for the first time and referred to the Committee on Judiciary.

O'Connor; Hanson; Reding; Anderson, R., and Koppendrayner introduced:

H. F. No. 2298, A bill for an act relating to state government; creating a legislative commission on occupational regulation; revising state policy on occupational regulation; appropriating money; amending Minnesota Statutes 1990, section 214.001, subdivisions 1 and 3; proposing coding for new law in Minnesota Statutes, chapter 3.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Runbeck and Johnson, A., introduced:

H. F. No. 2299, A bill for an act relating to manufactured homes; enacting the manufactured home owners bill of rights; providing penalties; amending Minnesota Statutes 1990, section 327C.01, subdivision 1, and by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 327C; repealing Minnesota Statutes 1990, sections 327C.02; 327C.03; 327C.04; 327C.05; 327C.06; 327C.07; 327C.08; 327C.09; 327C.095, subdivisions 2, 3, 4,

and 5; 327C.10; 327C.11; 327C.12; 327C.13; 327C.14; and 327C.15; Minnesota Statutes 1991 Supplement, sections 327C.095, subdivisions 1, 6, 7, 8, 9, 10, and 11; and 327C.096.

The bill was read for the first time and referred to the Committee on Housing.

Runbeck, Milbert, Erhardt, Solberg and Blatz introduced:

H. F. No. 2300, A bill for an act relating to commerce; regulating motor vehicle manufacturer warranty adjustment programs; requiring certain notice of the programs by manufacturers; requiring disclosures by dealers; providing for reimbursement in certain cases; providing penalties and remedies; proposing coding for new law in Minnesota Statutes, chapter 325F.

The bill was read for the first time and referred to the Committee on Commerce.

Stanius, Gruenes, Valento, Runbeck and Krinkie introduced:

H. F. No. 2301, A bill for an act relating to highways; making certain towns eligible for money from the municipal state-aid street fund; amending Minnesota Statutes 1991 Supplement, sections 161.082, subdivision 2a; and 162.081, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 162.

The bill was read for the first time and referred to the Committee on Transportation.

Rice introduced:

H. F. No. 2302, A bill for an act relating to cities; requiring an equitable distribution of state and local funds in neighborhood revitalization programs; amending Minnesota Statutes 1990, section 469.203, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Stanius, Valento, Newinski, Pellow and Runbeck introduced:

H. F. No. 2303, A bill for an act relating to railroads; prohibiting regional rail authorities in the metropolitan area from using property tax revenues, or revenue from bonds payable from property taxes, for any purpose other than acquisition of real property; amending Minnesota Statutes 1990, sections 398A.01, by adding a

subdivision; 398A.06, subdivision 2; and 398A.07, by adding a subdivision; Minnesota Statutes 1991 Supplement, section 398A.04, subdivision 8.

The bill was read for the first time and referred to the Committee on Transportation.

Mariani introduced:

H. F. No. 2304, A bill for an act relating to metropolitan government; permitting the metropolitan council to issue bonds for development of light rail transit; amending Minnesota Statutes 1990, section 473.39.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Blatz and Hufnagle introduced:

H. F. No. 2305, A bill for an act relating to the city of Bloomington; providing for the membership of the port authority; amending Minnesota Statutes 1990, section 469.071, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Bauerly introduced:

H. F. No. 2306, A bill for an act relating to education; increasing the appropriation for way to grow programs to maintain ongoing programs; appropriating money.

The bill was read for the first time and referred to the Committee on Education.

Vellenga and Blatz introduced:

H. F. No. 2307, A bill for an act relating to crimes; requiring that a model plan for the prosecution of domestic abuse cases be made available to city and county attorneys; requiring the adoption of prosecutorial plans by city and county attorneys; appropriating money for crime victim programs; amending Minnesota Statutes 1990, section 611A.0311, subdivisions 2 and 3.

The bill was read for the first time and referred to the Committee on Judiciary.

Stanius; Kinkel; Johnson, V.; Battaglia and Omann introduced:

H. F. No. 2308, A bill for an act relating to appropriations; appropriating money for control, research, and abatement of nuisance aquatic exotic species in public waters and wetlands.

The bill was read for the first time and referred to the Committee on Appropriations.

Stanius; Johnson, V.; Runbeck; Munger and Osthoff introduced:

H. F. No. 2309, A bill for an act relating to natural resources; requiring establishment of aquatic management areas; amending Minnesota Statutes 1990, section 86A.05, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Jefferson and Simoneau introduced:

H. F. No. 2310, A bill for an act relating to retirement; authorizing purchase of prior service credit from the Minneapolis employees retirement fund.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Jaros introduced:

H. F. No. 2311, A bill for an act relating to cities; Duluth; authorizing the establishment of additional detached facilities under certain conditions.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Jaros introduced:

H. F. No. 2312, A bill for an act relating to state government; purchases; amending the definition of "manufactured in the United States"; amending Minnesota Statutes 1991 Supplement, section 16B.101, subdivision 1.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Jaros introduced:

H. F. No. 2313, A bill for an act relating to retirement; Duluth teachers retirement fund association; proposing coding for new law in Minnesota Statutes, chapter 354A; repealing Laws 1985, chapter 259, sections 2 and 3; and Laws 1990, chapter 570, article 7, section 4.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Jaros introduced:

H. F. No. 2314, A bill for an act relating to retirement; authorizing purchase of service credit for previously exempt service by certain members of the teachers retirement association.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Jaros introduced:

H. F. No. 2315, A bill for an act relating to lotteries; regulating lottery retailers; modifying the qualifications for contracts; amending Minnesota Statutes 1990, section 349A.06, subdivision 2.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Jaros introduced:

H. F. No. 2316, A bill for an act relating to living wills; adding certain information to the suggested health care declaration form; amending Minnesota Statutes 1990, section 145B.04.

The bill was read for the first time and referred to the Committee on Judiciary.

Hasskamp and Wenzel introduced:

H. F. No. 2317, A bill for an act relating to taxation; authorizing a property tax exemption for certain improvements to real property; amending Minnesota Statutes 1990, section 469.181, subdivisions 1, 2, 3, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Taxes.



Lynch; Johnson, A.; Newinski and Hasskamp introduced:

H. F. No. 2318, A bill for an act relating to education; including in the PER policy a procedure for parents to review the content of instructional materials; amending Minnesota Statutes 1990, section 126.666, subdivision 1.

The bill was read for the first time and referred to the Committee on Education.

Orenstein, McGuire, Farrell and Mariani introduced:

H. F. No. 2319, A bill for an act relating to Ramsey county; providing for the certification of eligibles for county positions; amending Minnesota Statutes 1990, section 383A.291, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Peterson, Dille and Winter introduced:

H. F. No. 2320, A bill for an act relating to watershed districts; requiring counties to provide public notice prior to making watershed district manager appointments; eliminating the requirement that metropolitan counties must appoint watershed district managers from lists of nominees submitted by towns and municipalities; making local governments subject to watershed district permit fees; requiring watershed district audits by certified public accountants or the state auditor under certain circumstances; clarifying procedures for appealing watershed district decisions; allowing recovery of attorney fees; amending Minnesota Statutes 1990, sections 103D.311, subdivisions 2 and 3; 103D.345, subdivision 3; 103D.355, subdivision 1; 103D.535, subdivision 1; and 103D.545, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 103D.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Rukavina, Hanson and McGuire introduced:

H. F. No. 2321, A bill for an act relating to the environment; amending the planning, siting, and expansion process for mixed municipal solid waste and incinerator ash disposal facilities serving the metropolitan area; creating a board to determine need for additional disposal capacity to serve the metropolitan area; amending Minnesota Statutes 1990, sections 473.149, by adding a subdi-

vision; 473.831; Minnesota Statutes 1991 Supplement, section 115A.882, subdivision 2; Laws 1991, chapter 337, section 90; proposing coding for new law in Minnesota Statutes, chapter 473; repealing Minnesota Statutes 1991 Supplement, section 473.823, subdivision 6.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Davids; Olson, K., and McEachern introduced:

H. F. No. 2322, A bill for an act relating to education; providing for fund balances in independent school district No. 233, Preston-Fountain.

The bill was read for the first time and referred to the Committee on Education.

Janezich; Vellenga; Carruthers; Johnson, A., and Blatz introduced:

H. F. No. 2323, A bill for an act relating to data practices; providing that library patron records are private data; amending Minnesota Statutes 1991 Supplement, section 13.40, subdivision 2.

The bill was read for the first time and referred to the Committee on Judiciary.

Davids and Reding introduced:

H. F. No. 2324, A bill for an act relating to state lands; authorizing public sale of certain tax-forfeited lands that border public water in Fillmore county.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Davids, Waltman and Kalis introduced:

H. F. No. 2325, A bill for an act relating to transportation; exempting all farm trailers from motor vehicle registration and taxation requirements; temporarily exempting certain vehicles drawing implements of husbandry from size and weight restrictions; establishing a task force; amending Minnesota Statutes 1990, sections 168.012, subdivision 2a; 168.013, subdivision 1d; and 169.80, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Transportation.

Davids and Bauerly introduced:

H. F. No. 2326, A bill for an act relating to education; authorizing a special levy for independent school district No. 233, Preston-Fountain.

The bill was read for the first time and referred to the Committee on Education.

Koppendrayer, Frederick and Swenson introduced:

H. F. No. 2327, A bill for an act relating to crimes; authorizing the commissioner of public safety to suspend the driver's license of a person that has been charged with an offense constituting a petty misdemeanor for which a guilty plea was entered for failure to appear in court; amending Minnesota Statutes 1990, section 169.92, subdivision 4.

The bill was read for the first time and referred to the Committee on Judiciary.

Olsen, S.; Henry; Bettermann; Leppik and Welker introduced:

H. F. No. 2328, A bill for an act relating to education; requiring a violence prevention curriculum to help children effectively cope with violence in the family setting and elsewhere; proposing coding for new law in Minnesota Statutes, chapter 126.

The bill was read for the first time and referred to the Committee on Education.

McGuire introduced:

H. F. No. 2329, A bill for an act relating to courts; authorizing district courts to transfer civil actions to courts outside this state upon consent of those courts; enacting the uniform transfer of litigation act; proposing coding for new law as Minnesota Statutes, chapter 552.

The bill was read for the first time and referred to the Committee on Judiciary.

Newinski, Krinkie, Onnen, Hartle and Erhardt introduced:

H. F. No. 2330, A bill for an act relating to crime; proposing the safe communities act of 1992; increasing penalties for violent crimes; enhancing protections for crime victims; providing measures to assist in the enforcement of criminal laws and the supervision of offenders; authorizing the commissioner of public safety to award emergency anti-crime initiatives grants; providing for anti-violence education and prevention programs; proposing a variety of changes to the felony sentencing system; eliminating "good time" reductions in prison sentences; increasing and imposing new penalties on DWI offenders; increasing treatment and correctional resources for juvenile offenders; improving the operation of the psychopathic personality commitment law; establishing task forces to study ways of improving the criminal records system, the juvenile justice system, and the data practices laws; authorizing state bonds to expand the Minnesota security hospital for psychopathic personality commitments and to permit secure confinement of juveniles at the Minnesota correctional facility-Red Wing; appropriating money and raising fees to fund anti-crime initiatives and other criminal justice system needs; appropriating money; amending Minnesota Statutes 1990, sections 8.01; 8.15; 16A.531, by adding a subdivision; 125.05, subdivision 2; 135A.15; 168.042, subdivisions 2 and 4; 169.121, subdivisions 3, 3a, 3c, 4, and 5; 169.123, subdivision 4; 204B.36, subdivision 4; 241.67, subdivisions 3, and by adding a subdivision; 242.195, subdivision 1; 243.53; 244.01, subdivision 8; 244.03; 244.04, subdivisions 1 and 3; 244.05, subdivisions 1, 4, 5, and by adding subdivisions; 244.09, by adding a subdivision; 259.11; 270A.03, subdivision 5; 488A.021, subdivision 3; 488A.19, subdivision 3; 595.02, subdivision 4; 609.033; 609.0341; 609.10; 609.101, by adding a subdivision; 609.115, subdivision 1a; 609.125; 609.135, subdivision 5; 609.152, subdivision 3; 609.19; 609.224, subdivision 2; 609.346, subdivisions 2, 2a, and by adding subdivisions; 609.531, subdivision 6a; 609.5312, subdivision 1; 611A.52, subdivision 6; 624.714, subdivisions 1, 7 and by adding subdivision; 630.36, subdivision 1, and by adding a subdivision; 631.035; 631.07; Minnesota Statutes 1991 Supplement, sections 121.88, subdivision 10; 125.185, subdivision 4a; 169.123, subdivision 2; 171.29, subdivision 2; 171.30, subdivision 2a; 243.166, subdivision 1; 259.10; 260.125, subdivision 3; 260.161, subdivision 3; 518B.01, subdivision 14; 609.531, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 126; 169; 244; 256F; 290; 299A; 526; 609; 611A; 617; and 626; repealing Minnesota Statutes 1990, section 204B.36, subdivision 5.

The bill was read for the first time and referred to the Committee on Judiciary.

Smith, Pellow, Heir, Henry and Schafer introduced:

H. F. No. 2331, A bill for an act relating to crime; proposing the safe communities act of 1992; increasing penalties for violent

crimes; enhancing protections for crime victims; providing measures to assist in the enforcement of criminal laws and the supervision of offenders; authorizing the commissioner of public safety to award emergency anti-crime initiatives grants; providing for anti-violence education and prevention programs; proposing a variety of changes to the felony sentencing system; eliminating "good time" reductions in prison sentences; increasing and imposing new penalties on DWI offenders; increasing treatment and correctional resources for juvenile offenders; improving the operation of the psychopathic personality commitment law; establishing task forces to study ways of improving the criminal records system, the juvenile justice system, and the data practices laws; authorizing state bonds to expand the Minnesota security hospital for psychopathic personality commitments and to permit secure confinement of juveniles at the Minnesota correctional facility-Red Wing; appropriating money and raising fees to fund anti-crime initiatives and other criminal justice system needs; appropriating money; amending Minnesota Statutes 1990, sections 8.01; 8.15; 16A.531, by adding a subdivision; 125.05, subdivision 2; 135A.15; 168.042, subdivisions 2 and 4; 169.121, subdivisions 3, 3a, 3c, 4, and 5; 169.123, subdivision 4; 204B.36, subdivision 4; 241.67, subdivisions 3, and by adding a subdivision; 242.195, subdivision 1; 243.53; 244.01, subdivision 8; 244.03; 244.04, subdivisions 1 and 3; 244.05, subdivisions 1, 4, 5, and by adding subdivisions; 244.09, by adding a subdivision; 259.11; 270A.03, subdivision 5; 488A.021, subdivision 3; 488A.19, subdivision 3; 595.02, subdivision 4; 609.033; 609.0341; 609.10; 609.101, by adding a subdivision; 609.115, subdivision 1a; 609.125; 609.135, subdivision 5; 609.152, subdivision 3; 609.19; 609.224, subdivision 2; 609.346, subdivisions 2, 2a, and by adding subdivisions; 609.531, subdivision 6a; 609.5312, subdivision 1; 611A.52, subdivision 6; 624.714, subdivisions 1, 7 and by adding subdivision; 630.36, subdivision 1, and by adding a subdivision; 631.035; 631.07; Minnesota Statutes 1991 Supplement, sections 121.88, subdivision 10; 125.185, subdivision 4a; 169.123, subdivision 2; 171.29, subdivision 2; 171.30, subdivision 2a; 243.166, subdivision 1; 259.10; 260.125, subdivision 3; 260.161, subdivision 3; 518B.01, subdivision 14; 609.531, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 126; 169; 244; 256F; 290; 299A; 526; 609; 611A; 617; and 626; repealing Minnesota Statutes 1990, section 204B.36, subdivision 5.

The bill was read for the first time and referred to the Committee on Judiciary.

Goodno, Koppendraye, Waltman, Girard and Krambeer introduced:

H. F. No. 2332, A bill for an act relating to crime; proposing the safe communities act of 1992; increasing penalties for violent crimes; enhancing protections for crime victims; providing measures

to assist in the enforcement of criminal laws and the supervision of offenders; authorizing the commissioner of public safety to award emergency anti-crime initiatives grants; providing for anti-violence education and prevention programs; proposing a variety of changes to the felony sentencing system; eliminating "good time" reductions in prison sentences; increasing and imposing new penalties on DWI offenders; increasing treatment and correctional resources for juvenile offenders; improving the operation of the psychopathic personality commitment law; establishing task forces to study ways of improving the criminal records system, the juvenile justice system, and the data practices laws; authorizing state bonds to expand the Minnesota security hospital for psychopathic personality commitments and to permit secure confinement of juveniles at the Minnesota correctional facility-Red Wing; appropriating money and raising fees to fund anti-crime initiatives and other criminal justice system needs; appropriating money; amending Minnesota Statutes 1990, sections 8.01; 8.15; 16A.531, by adding a subdivision; 125.05, subdivision 2; 135A.15; 168.042, subdivisions 2 and 4; 169.121, subdivisions 3, 3a, 3c, 4, and 5; 169.123, subdivision 4; 204B.36, subdivision 4; 241.67, subdivisions 3, and by adding a subdivision; 242.195, subdivision 1; 243.53; 244.01, subdivision 8; 244.03; 244.04, subdivisions 1 and 3; 244.05, subdivisions 1, 4, 5, and by adding subdivisions; 244.09, by adding a subdivision; 259.11; 270A.03, subdivision 5; 488A.021, subdivision 3; 488A.19, subdivision 3; 595.02, subdivision 4; 609.033; 609.0341; 609.10; 609.101, by adding a subdivision; 609.115, subdivision 1a; 609.125; 609.135, subdivision 5; 609.152, subdivision 3; 609.19; 609.224, subdivision 2; 609.346, subdivisions 2, 2a, and by adding subdivisions; 609.531, subdivision 6a; 609.5312, subdivision 1; 611A.52, subdivision 6; 624.714, subdivisions 1, 7 and by adding subdivision; 630.36, subdivision 1, and by adding a subdivision; 631.035; 631.07; Minnesota Statutes 1991 Supplement, sections 121.88, subdivision 10; 125.185, subdivision 4a; 169.123, subdivision 2; 171.29, subdivision 2; 171.30, subdivision 2a; 243.166, subdivision 1; 259.10; 260.125, subdivision 3; 260.161, subdivision 3; 518B.01, subdivision 14; 609.531, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 126; 169; 244; 256F; 290; 299A; 526; 609; 611A; 617; and 626; repealing Minnesota Statutes 1990, section 204B.36, subdivision 5.

The bill was read for the first time and referred to the Committee on Judiciary.

Frederick, Lynch, Limmer, Hufnagle and Runbeck introduced:

H. F. No. 2333, A bill for an act relating to crime; proposing the safe communities act of 1992; increasing penalties for violent crimes; enhancing protections for crime victims; providing measures to assist in the enforcement of criminal laws and the supervision of offenders; authorizing the commissioner of public safety to award

emergency anti-crime initiatives grants; providing for anti-violence education and prevention programs; proposing a variety of changes to the felony sentencing system; eliminating "good time" reductions in prison sentences; increasing and imposing new penalties on DWI offenders; increasing treatment and correctional resources for juvenile offenders; improving the operation of the psychopathic personality commitment law; establishing task forces to study ways of improving the criminal records system, the juvenile justice system, and the data practices laws; authorizing state bonds to expand the Minnesota security hospital for psychopathic personality commitments and to permit secure confinement of juveniles at the Minnesota correctional facility-Red Wing; appropriating money and raising fees to fund anti-crime initiatives and other criminal justice system needs; appropriating money; amending Minnesota Statutes 1990, sections 8.01; 8.15; 16A.531, by adding a subdivision; 125.05, subdivision 2; 135A.15; 168.042, subdivisions 2 and 4; 169.121, subdivisions 3, 3a, 3c, 4, and 5; 169.123, subdivision 4; 204B.36, subdivision 4; 241.67, subdivisions 3, and by adding a subdivision; 242.195, subdivision 1; 243.53; 244.01, subdivision 8; 244.03; 244.04, subdivisions 1 and 3; 244.05, subdivisions 1, 4, 5, and by adding subdivisions; 244.09, by adding a subdivision; 259.11; 270A.03, subdivision 5; 488A.021, subdivision 3; 488A.19, subdivision 3; 595.02, subdivision 4; 609.033; 609.0341; 609.10; 609.101, by adding a subdivision; 609.115, subdivision 1a; 609.125; 609.135, subdivision 5; 609.152, subdivision 3; 609.19; 609.224, subdivision 2; 609.346, subdivisions 2, 2a, and by adding subdivisions; 609.531, subdivision 6a; 609.5312, subdivision 1; 611A.52, subdivision 6; 624.714, subdivisions 1, 7 and by adding subdivision; 630.36, subdivision 1, and by adding a subdivision; 631.035; 631.07; Minnesota Statutes 1991 Supplement, sections 121.88, subdivision 10; 125.185, subdivision 4a; 169.123, subdivision 2; 171.29, subdivision 2; 171.30, subdivision 2a; 243.166, subdivision 1; 259.10; 260.125, subdivision 3; 260.161, subdivision 3; 518B.01, subdivision 14; 609.531, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 126; 169; 244; 256F; 290; 299A; 526; 609; 611A; 617; and 626; repealing Minnesota Statutes 1990, section 204B.36, subdivision 5.

The bill was read for the first time and referred to the Committee on Judiciary.

Rukavina, Begich and Johnson, R., introduced:

H. F. No. 2334, A bill for an act relating to game and fish; exempting certain minors from whitefish and ciscoe net licensing; amending Minnesota Statutes 1990, section 97A.451, subdivision 2.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Peterson, Reding, Wejcman, Goodno and Krinkie introduced:

H. F. No. 2335, A bill for an act relating to state government; department of administration; changing the government data classification of requests for proposals; modifying the encumbrance process for agency construction projects; modifying authority for building maintenance and leasing; changing requirements for certain agency purchases; amending administration of STARS; changing the date for the department of administration to report recycling goals; providing that the department may retain money from successful litigation; amending auditing requirements for noncommercial radio stations; extending the date for relocating the state printing operation; making various technical changes; amending Minnesota Statutes 1990, sections 13.37, subdivision 2; 16A.15, subdivision 3; 16B.09, by adding a subdivision; 16B.121; 16B.24, subdivisions 1, 5, and 6; 16B.31, by adding a subdivision; 16B.33, subdivision 3; 16B.40, subdivision 8; 16B.465, subdivisions 2, 3, and 6; 16B.58, subdivision 5; 129D.14, subdivisions 3, 4, and 6; Minnesota Statutes 1991 Supplement, sections 16B.19, subdivision 2b; 103B.311, subdivision 7; 115A.15, subdivision 9; and 138.94, subdivision 1; and Laws 1991, chapter 345, article 1, section 17, subdivision 4.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Simoneau introduced:

H. F. No. 2336, A bill for an act relating to commerce; regulating the workers' compensation assigned risk plan; amending Minnesota Statutes 1990, sections 79.251; and 79.252, subdivision 5.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Welker, Girard and Koppendrayner introduced:

H. F. No. 2337, A bill for an act relating to redistricting; requiring the revisor of statutes to submit plans for legislative and congressional redistricting; establishing a procedure for the legislature to act on plans submitted by the revisor; creating a redistricting advisory commission; proposing coding for new law in Minnesota Statutes, chapter 2.

The bill was read for the first time and referred to the Committee on Redistricting.



Dempsey introduced:

H. F. No. 2338, A bill for an act relating to family law; establishing a pilot community work experience program for absent parents; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 256.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Steensma, Wenzel, Winter, Davids and Peterson introduced:

H. F. No. 2339, A bill for an act relating to education; providing for Minnesota extension service fringe benefits and salary increases; appropriating money.

The bill was read for the first time and referred to the Committee on Education.

Mariani, Trimble, Beard, Runbeck and Garcia introduced:

H. F. No. 2340, A bill for an act relating to education; requiring the higher education coordinating board to study the feasibility of accelerated baccalaureate degree programs.

The bill was read for the first time and referred to the Committee on Education.

Mariani, Lieder, Marsh and Dauner introduced:

H. F. No. 2341, A bill for an act relating to transportation; authorizing nonoperating assistance for public transit service; amending Minnesota Statutes 1990, section 174.24, subdivisions 3, 5, and by adding subdivisions; repealing Minnesota Statutes 1990, section 174.245.

The bill was read for the first time and referred to the Committee on Transportation.

Jefferson, Rodosovich, Blatz and Wejcman introduced:

H. F. No. 2342, A bill for an act relating to human services; providing for appointment of a member to the child abuse prevention advisory council by the commissioner of human services; providing for an American Indian child welfare advisory council; amending Minnesota Statutes 1990, section 257.3579; Minnesota Statutes 1991 Supplement, section 299A.23, subdivision 2.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Rest introduced:

H. F. No. 2343, A bill for an act relating to governmental units; organizations and agencies established by law, executive order, or action of a political subdivision acting alone or jointly with another political subdivision; imposing standards and requirements of accountability; proposing coding for new law in Minnesota Statutes, chapter 471.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Steensma introduced:

H. F. No. 2344, A bill for an act relating to taxation; property; requiring certain findings by governing body of a municipality before creation of a leasehold cooperative; amending Minnesota Statutes 1991 Supplement, section 273.124, subdivision 6.

The bill was read for the first time and referred to the Committee on Taxes.

Carruthers, Reding, Knickerbocker, Cooper and Johnson, R., introduced:

H. F. No. 2345, A bill for an act relating to state government; clarifying that the open meeting law applies to advisory bodies; providing that a court may award attorney's fees to the prevailing party in an action brought under the open meeting law; amending Minnesota Statutes 1990, section 471.705, subdivision 2; Minnesota Statutes 1991 Supplement, section 471.705, subdivision 1.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Bishop, Simoneau, Brown, Rukavina and Frerichs introduced:

H. F. No. 2346, A bill for an act relating to insurance; providing for automobile insurance policy coverage on the repair or replacement of motor vehicle glass; amending Minnesota Statutes 1991 Supplement, section 72A.201, subdivision 6.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Tunheim introduced:

H. F. No. 2347, A bill for an act relating to game and fish; seasons for taking deer by muzzle-loading firearms; amending Minnesota Statutes 1990, section 97B.311.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Tunheim, Kelso, McEachern and Sparby introduced:

H. F. No. 2348, A bill for an act relating to education; modifying the review and comment process; establishing a local advisory council; allowing an appeal of a negative review and comment to the state board of education; amending Minnesota Statutes 1990, section 121.148, subdivision 3.

The bill was read for the first time and referred to the Committee on Education.

Dauner, Kalis, Schafer, Garcia and Uphus introduced:

H. F. No. 2349, A bill for an act relating to motor vehicles; allowing registrar to recover the cost of manufacturing and issuing motor vehicle license plates and stickers; crediting fees from the sale of license plates to the highway user tax distribution fund; amending Minnesota Statutes 1990, sections 168.012, by adding a subdivision; 168.042, by adding a subdivision; 168.12, subdivisions 2 and 5; 168.128, by adding a subdivision; and 168.29; Minnesota Statutes 1991 Supplement, section 168.041, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Transportation.

Hasskamp, Kinkel and Wenzel introduced:

H. F. No. 2350, A bill for an act relating to jobs and training; unemployment insurance; changing the definition of seasonal employment; amending Minnesota Statutes 1990, section 268.07, subdivision 2a.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Kelso, Weaver, McEachern and Tunheim introduced:

H. F. No. 2351, A bill for an act relating to education; transferring

responsibility for disbursal of federal vocational funds from the state board of technical colleges to the state board of education; proposing coding for new law in Minnesota Statutes, chapter 121; repealing Minnesota Statutes 1990, section 136C.06.

The bill was read for the first time and referred to the Committee on Education.

Jefferson introduced:

H. F. No. 2352, A bill for an act relating to state agencies; providing that agency heads may not delegate affirmative action duties; amending Minnesota Statutes 1990, section 43A.191, subdivision 1.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Orenstein, Greenfield and Rodosovich introduced:

H. F. No. 2353, A bill for an act relating to human services; including persons living in a nursing home for continuing the care of attendants to ventilator-dependent recipients upon admission to a hospital; amending Minnesota Statutes 1991 Supplement, section 256B.64.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Cooper introduced:

H. F. No. 2354, A bill for an act relating to apiary law; removing state regulation of honey bees; amending Minnesota Statutes 1990, sections 18.022, subdivision 1; and 18.0228, subdivision 3; repealing Minnesota Statutes 1990, sections 19.50; 19.51; 19.52; 19.53; 19.54; 19.55; 19.56; 19.57; 19.58; 19.59; 19.60; 19.61; 19.62; 19.63; 19.64; and 19.65.

The bill was read for the first time and referred to the Committee on Agriculture.

Johnson, A.; Schafer and Dawkins introduced:

H. F. No. 2355, A bill for an act relating to motor carriers; regulating courier services carriers and local cartage carriers; amending Minnesota Statutes 1990, section 221.011, subdivisions 25, 28, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Transportation.

Winter; Steensma; Battaglia; Olson, K., and McGuire introduced:

H. F. No. 2356, A bill for an act relating to capital improvements; authorizing the issuance of state bonds for design, engineering, and construction for a flood and erosion control project for the Middle Des Moines watershed district; appropriating money.

The bill was read for the first time and referred to the Committee on Appropriations.

Hausman, Vellenga, Weaver, Mariani and Orenstein introduced:

H. F. No. 2357, A bill for an act relating to education; authorizing a levy; amending Minnesota Statutes 1990, section 275.125, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Education.

Hausman, Osthoff and Trimble introduced:

H. F. No. 2358, A bill for an act relating to education; authorizing a capital expenditure levy for certain installment contracts and lease purchases; amending Minnesota Statutes 1990, section 275.125, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Education.

Hausman, Trimble, Vellenga, Mariani and Orenstein introduced:

H. F. No. 2359, A bill for an act relating to education; creating a literacy center; authorizing the sale of bonds; appropriating money.

The bill was read for the first time and referred to the Committee on Education.

Tunheim introduced:

H. F. No. 2360, A bill for an act relating to unemployment compensation; pertaining to treatment of American Indian tribes as employers for purposes of unemployment compensation insurance

contributions; amending Minnesota Statutes 1990, section 268.06, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Solberg, Limmer, Seaberg and Rest introduced:

H. F. No. 2361, A bill for an act relating to crimes; expanding the sex offender registration law to include offenders on probation and offenders held in local correctional facilities, juvenile detention facilities, or treatment facilities; expanding the registration law to also include certain adult victims and to require registration by certain out-of-state offenders who reside in Minnesota; amending Minnesota Statutes 1991 Supplement, section 243.166, subdivisions 1, 2, 3, 4, 6, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Judiciary.

Runbeck, Hausman, Leppik, Trimble and Swenson introduced:

H. F. No. 2362, A bill for an act relating to children; authorizing grants for a demonstration project for community-based after school programs for post-secondary youth; appropriating money; amending Laws 1991, chapter 265, article 4, section 30, subdivision 4.

The bill was read for the first time and referred to the Committee on Education.

Welle introduced:

H. F. No. 2363, A bill for an act relating to capital improvements; authorizing bonds and appropriating money for a trail.

The bill was read for the first time and referred to the Committee on Appropriations.

Welle introduced:

H. F. No. 2364, A bill for an act relating to highways; directing the commissioner of transportation to construct a travel information center on marked trunk highway No. 71 near Willmar; requiring private and local funds to be contributed before construction; authorizing the sale of \$400,000 in trunk highway bonds; appropriating money.

The bill was read for the first time and referred to the Committee on Transportation.

Rodosovich introduced:

H. F. No. 2365, A bill for an act relating to education; requiring the conveyance of certain land from the state of Minnesota to independent school district No. 656, Faribault; appropriating money.

The bill was read for the first time and referred to the Committee on Education.

Rodosovich introduced:

H. F. No. 2366, A bill for an act relating to retirement; Faribault fire consolidation account; providing a full postretirement adjustment in certain instances.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Pugh and Vellenga introduced:

H. F. No. 2367, A bill for an act relating to human services; defining commitment; expanding when a neuroleptic medication may be administered; providing informed consent of a competent person for informal admission; changing treatment alternatives; providing for patient commitment to the commissioner; expanding initial commitment period; defining when the commissioner must designate the regional center or treatment facility to take the committed person; transferring cost of care for committed persons awaiting placement or transfer designation to the state; establishing county financial responsibility for persons temporarily confined; granting continuance of the commitment; clarifying duration of continued commitment; amending Minnesota Statutes 1990, sections 253B.02, by adding a subdivision; 253B.04, subdivision 1; 253B.09; 253B.10, subdivision 1; 253B.11, subdivision 2, and by adding a subdivision; 253B.12, subdivision 5; and 253B.13, subdivisions 1 and 3; Minnesota Statutes 1991 Supplement, section 253B.03, subdivision 6c.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Lasley introduced:

H. F. No. 2368, A bill for an act relating to motor carriers;

providing for the expiration of certificates and permits as regular and irregular route carriers of property, and for their conversion to class I certificates and class II permits; specifying operating authority granted by each class; restricting transfer of certain operating authority; prohibiting the lease of class I certificates and class II permits; specifying service that may be offered by courier service carriers; redefining the local cartage zone; increasing registration fees for vehicles of motor carriers; appropriating money; amending Minnesota Statutes 1990, sections 168.013, subdivision 1e; 221.011, subdivisions 7, 8, 9, 14, 25, 28, and by adding subdivisions; 221.036, subdivision 1; 221.041; 221.051; 221.061; 221.071, subdivision 1; 221.081; 221.111; 221.121, subdivisions 1, 6, 6a, and by adding subdivisions; 221.131, subdivisions 2 and 3; 221.141, subdivision 4; and 221.151, subdivision 1, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 221; repealing Minnesota Statutes 1990, section 221.011, subdivisions 11 and 17.

The bill was read for the first time and referred to the Committee on Transportation.

Sparby introduced:

H. F. No. 2369, A bill for an act relating to retirement; authorizing a benefit increase for certain retired police officers and surviving spouses in the city of Thief River Falls.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Hanson introduced:

H. F. No. 2370, A bill for an act relating to the environment; authorizing the awarding of reasonable attorney fees and costs to prevailing parties in actions under the Minnesota environmental rights act; proposing coding for new law in Minnesota Statutes, chapter 116B.

The bill was read for the first time and referred to the Committee on Judiciary.

Bettermann, Koppendrayner, Heir, Henry and Newinski introduced:

H. F. No. 2371, A bill for an act relating to crime; providing for anti-violence education and prevention programs; amending Minnesota Statutes 1990, section 125.05, subdivision 2; Minnesota Statutes 1991 Supplement, sections 121.88, subdivision 10; and 125.185,



subdivision 4a; proposing coding for new law in Minnesota Statutes, chapters 126; and 299A.

The bill was read for the first time and referred to the Committee on Judiciary.

Nelson, K., introduced:

H. F. No. 2372, A bill for an act relating to highway traffic regulations; repealing certain restrictions on the use of flashing warning signals and stop arms on school buses; amending Minnesota Statutes 1991 Supplement, section 169.443, subdivision 3.

The bill was read for the first time and referred to the Committee on Transportation.

McEachern, Bauerly, Pelowski and Milbert introduced:

H. F. No. 2373, A bill for an act relating to education; removing the education commissioner from the state high school league board; requiring the league board to prepare and file an annual written report; removing other reporting requirements; amending Minnesota Statutes 1990, sections 43A.18, subdivision 4a; 128C.01, subdivision 4; 128C.02, by adding a subdivision; and 128C.10, subdivision 5; repealing Laws 1988, chapter 718, article 7, section 58.

The bill was read for the first time and referred to the Committee on Education.

Wejzman, Carruthers, Bodahl and Solberg introduced:

H. F. No. 2374, A bill for an act relating to crimes; increasing statutory maximum sentences for various offenses; removing the limit on consecutive sentences for felonies; clarifying that violation of an order for protection is a crime for purposes of burglary; expanding bias crime reporting requirements; amending Minnesota Statutes 1990, sections 609.15, subdivision 2; 609.21, subdivisions 1, 2, 2a, 3, and 4; 609.222; 609.581, by adding a subdivision; 609.713; and 626.5531, subdivision 1.

The bill was read for the first time and referred to the Committee on Judiciary.

Mariani introduced:

H. F. No. 2375, A bill for an act relating to metropolitan govern-

ment; providing a name for the transportation accessibility advisory committee; amending Minnesota Statutes 1990, section 473.386, subdivisions 2 and 3.

The bill was read for the first time and referred to the Committee on Transportation.

Kelso introduced:

H. F. No. 2376, A bill for an act relating to wild animals; clarifying the prohibition on taking wild animals from a motor vehicle; amending Minnesota Statutes 1990, section 97B.055, subdivision 2.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Uphus introduced:

H. F. No. 2377, A bill for an act relating to education; making changes in the school consolidation law; amending Minnesota Statutes 1990, section 122.23, subdivision 16; Minnesota Statutes 1991 Supplement, section 122.23, subdivision 2.

The bill was read for the first time and referred to the Committee on Education.

Osthoff, Swenson, Simoneau, Kahn and Schreiber introduced:

H. F. No. 2378, A bill for an act relating to metropolitan government; providing for the acquisition and betterment of regional recreational open space lands and related costs; authorizing the issuance of state bonds; appropriating money.

The bill was read for the first time and referred to the Committee on Appropriations.

Vellenga, Wagenius and Greenfield introduced:

H. F. No. 2379, A bill for an act relating to public safety; requiring offenders to pay for probation services; imposing a tax on the retail sale of rifles, shotguns, and semi-automatic rifles; requiring a fee for pistol permits; amending Minnesota Statutes 1990, section 624.714, subdivisions 6 and 7; proposing coding for new law in Minnesota Statutes, chapters 244; 297A; and 609.

The bill was read for the first time and referred to the Committee on Judiciary.

Thompson; Lynch; Pugh; Anderson, I., and Tompkins introduced:

H. F. No. 2380, A bill for an act relating to children; providing for appointment of guardians ad litem to represent certain children and unborn children; amending Minnesota Statutes 1990, sections 144.341; 145.415, subdivision 3; 145.423, subdivision 1; 257.60; and 524.2-108; proposing coding for new law in Minnesota Statutes, chapter 609.

The bill was read for the first time and referred to the Committee on Judiciary.

McPherson, Munger, Swenson, Beard and Johnson, R., introduced:

H. F. No. 2381, A bill for an act relating to state land; authorizing private sale of certain land in Washington county; authorizing environmental cleanup of the land; authorizing alteration of marginal lands.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Jaros, Rukavina, Tunheim, Mariani and Hausman introduced:

H. F. No. 2382, A bill for an act relating to education; authorizing an equalized aid and levy for school districts with low fund balances; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 124A.

The bill was read for the first time and referred to the Committee on Education.

Bertram and Krueger introduced:

H. F. No. 2383, A resolution memorializing Congress to allow doctors of chiropractic status as commissioned officers in the military.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Bertram and Krueger introduced:

H. F. No. 2384, A bill for an act relating to crimes; establishing registration requirements for sex offenders under 18 years of age; extending the sex registration law to sex offenses involving adult

victims; amending Minnesota Statutes 1991 Supplement, section 243.166.

The bill was read for the first time and referred to the Committee on Judiciary.

Bertram and Skoglund introduced:

H. F. No. 2385, A bill for an act relating to real property; changing certain dates relating to validation for mortgage foreclosures; amending Minnesota Statutes 1990, section 582.27.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Goodno, Omann, Marsh, Girard and Frederick introduced:

H. F. No. 2386, A bill for an act relating to education; restoring the previous definitions of full-time and half-time students for purposes of post-secondary financial assistance; amending Minnesota Statutes 1991 Supplement, section 136A.101, subdivisions 7a and 7b.

The bill was read for the first time and referred to the Committee on Education.

Bertram introduced:

H. F. No. 2387, A bill for an act relating to taxation; providing an exemption from the sales tax for isolated sales of all assets of certain corporations; amending Minnesota Statutes 1991 Supplement, section 297A.25, subdivision 12, as amended.

The bill was read for the first time and referred to the Committee on Taxes.

Bodahl; Anderson, I.; Janezich; Johnson, V., and Macklin introduced:

H. F. No. 2388, A bill for an act relating to local government; regulating certain interests in contracts by public officers; amending Minnesota Statutes 1990, section 471.88, by adding subdivisions.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Johnson, R.; Simoneau; Long; Haukoos and Dempsey introduced:

H. F. No. 2389, A bill for an act relating to education; appropriating money to the state university board to assist in the cleanup of the Kummer landfill.

The bill was read for the first time and referred to the Committee on Appropriations.

Reding, Solberg, Abrams and Osthoff introduced:

H. F. No. 2390, A bill for an act relating to horse racing; authorizing distribution from the breeders' fund for other breeds; deleting limitations on fair racing days; amending Minnesota Statutes 1990, section 240.14, subdivision 1; Minnesota Statutes 1991 Supplement, section 240.18, by adding a subdivision.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Kinkel, Thompson and Johnson, R., introduced:

H. F. No. 2391, A bill for an act relating to taxation; exempting occasional sales of tangible personal property primarily used in a trade or business; amending Minnesota Statutes 1991 Supplement, section 297A.25, subdivision 12, as amended.

The bill was read for the first time and referred to the Committee on Taxes.

Lasley, Bauerly, Pellow, McEachern and Tunheim introduced:

H. F. No. 2392, A bill for an act relating to education; requiring first aid and CPR training for school bus drivers.

The bill was read for the first time and referred to the Committee on Education.

Johnson, R.; Solberg; Kinkel; Anderson, I., and Tunheim introduced:

H. F. No. 2393, A bill for an act relating to education; permitting the state university board to demolish and replace the Anishinabe Center on the Bemidji State University campus.

The bill was read for the first time and referred to the Committee on Education.

Johnson, R.; Kinkel; Solberg; Anderson, I., and Tunheim introduced:

H. F. No. 2394, A bill for an act relating to education; permitting the Bemidji State University Foundation to advance money for a new bookstore on the Bemidji State University campus.

The bill was read for the first time and referred to the Committee on Education.

Marsh, Sparby, Vanasek and Hufnagle introduced:

H. F. No. 2395, A bill for an act relating to game and fish; setting conditions under which a hunter may take two deer; amending Minnesota Statutes 1990, section 97B.301, subdivision 4.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Pellow, Vellenga, Sarna, Reding and Seaberg introduced:

H. F. No. 2396, A bill for an act relating to crimes; providing that five percent of the money or proceeds from the sale of property forfeited for being associated with crime be forwarded to Crime Stoppers, Inc.; amending Minnesota Statutes 1990, section 609.5315, subdivision 5.

The bill was read for the first time and referred to the Committee on Judiciary.

Jacobs, Beard and Anderson, I., introduced:

H. F. No. 2397, A bill for an act relating to pipelines; regulating liquefied natural gas facilities; amending Minnesota Statutes 1990, sections 299J.02, subdivisions 12, 13, and by adding subdivisions; 299J.04; 299J.07, subdivision 1; 299J.10; 299J.12, subdivisions 2 and 3; and 299J.15.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Waltman, Pellow, Lieder, Begich and Sviggum introduced:

H. F. No. 2398, A bill for an act relating to motor vehicles; clarifying that catalytic converters may be replaced under certain conditions; amending Minnesota Statutes 1990, sections 116.63, subdivision 3; and 325E.0951, subdivision 3.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Sviggum and Waltman introduced:

H. F. No. 2399, A bill for an act relating to appropriations; appropriating money for the purchase of certain land of historical value in Goodhue county.

The bill was read for the first time and referred to the Committee on Appropriations.

Henry; Jennings; Pauly; Nelson, S., and Frederick introduced:

H. F. No. 2400, A bill for an act proposing an amendment to the Minnesota Constitution, article IV, section 12; providing that the legislature meet in regular session in odd-numbered years.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Bodahl, Kelso, Vellenga, Hausman and Runbeck introduced:

H. F. No. 2401, A bill for an act relating to commerce; imposing health regulations for tanning facilities; requiring licenses; providing exemptions; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 144.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Pugh and Macklin introduced:

H. F. No. 2402, A bill for an act relating to corporations; making miscellaneous changes in provisions dealing with the organization and operation of nonprofit corporations; amending Minnesota Statutes 1990, sections 317A.011, subdivisions 7 and 14; 317A.111, subdivision 3; 317A.201; 317A.213; 317A.227; 317A.251, subdivision 3; 317A.255, subdivisions 1, 2, and by adding a subdivision; 317A.341, subdivision 2; 317A.431, subdivision 2; 317A.447; 317A.461; 317A.751, subdivision 3; and 317A.827, by adding a subdivision; Minnesota Statutes 1991 Supplement, sections 317A.821, subdivision 2; 317A.823; and 317A.827, subdivision 1.

The bill was read for the first time and referred to the Committee on Commerce.

Pugh introduced:

H. F. No. 2403, A bill for an act relating to real property; providing an exemption from the state deed tax; amending Minnesota Statutes 1991 Supplement, section 287.22.

The bill was read for the first time and referred to the Committee on Taxes.

Pugh, Hanson, Kahn and Seaberg introduced:

H. F. No. 2404, A bill for an act relating to governmental operations; setting conditions for certain state laws; regulating payments; fixing local accounting procedures; providing for investments and uses of public facilities; amending Minnesota Statutes 1990, sections 11A.24, subdivision 6; 13.76, by adding a subdivision; 367.36, subdivision 1; 412.222; 471.49, by adding a subdivision; 471.66; 471.696; 471.697; 471.6985; 477A.017, subdivision 2; and 609.415, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 279; 471; and 609; repealing Minnesota Statutes 1991 Supplement, section 128B.10, subdivision 2.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Solberg; Kalis; Bertram; Olson, K., and Winter introduced:

H. F. No. 2405, A bill for an act proposing an amendment to the Minnesota Constitution, article X, by adding a section; dedicating part of the sales tax to property tax relief; amending Minnesota Statutes 1991 Supplement, section 16A.711, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

Leppik; McGuire; Johnson, A.; Wagenius and Runbeck introduced:

H. F. No. 2406, A bill for an act relating to health; requiring a program to promote the long-term development of children and to prevent abuse; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 145.

The bill was read for the first time and referred to the Committee on Health and Human Services.



Runbeck, Frederick and Ozment introduced:

H. F. No. 2407, A bill for an act relating to the legislature; restricting conditions under which legislators may receive per diem living expenses; providing additional compensation for chairs of committees and divisions; amending Minnesota Statutes 1990, sections 3.099, subdivisions 1 and 3; and 3.101.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Winter, Olson, K.; Nelson, S.; Steensma and Dauner introduced:

H. F. No. 2408, A bill for an act relating to lawful gambling; exempting certain organizations from the requirement to have an annual financial audit; amending Minnesota Statutes 1991 Supplement, section 349.19, subdivision 9.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Winter, Steensma, Rest and Olson, K., introduced:

H. F. No. 2409, A bill for an act relating to taxation; exempting the raising and sale of llamas; amending Minnesota Statutes 1991 Supplement, section 297A.25, subdivision 9.

The bill was read for the first time and referred to the Committee on Taxes.

Pugh, Munger, Macklin and Orenstein introduced:

H. F. No. 2410, A bill for an act relating to civil actions; providing for immunity and dismissal of actions against individuals arising out of the exercise of certain constitutional rights in governmental proceedings; proposing coding for new law as Minnesota Statutes, chapter 554.

The bill was read for the first time and referred to the Committee on Judiciary.

Trimble introduced:

H. F. No. 2411, A bill for an act relating to the environment; prohibiting dissemination of false or inaccurate information about the release of radiation; imposing a duty to report the release of radiation; providing a civil cause of action; providing penalties;

amending Minnesota Statutes 1990, sections 116B.02, by adding a subdivision; and 116B.03, subdivision 1; Minnesota Statutes 1991 Supplement, section 609.671, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

**Pugh and Macklin introduced:**

H. F. No. 2412, A bill for an act relating to juveniles; requiring the retention of certain juvenile court records beyond the age of 23; providing for the establishment of a system for the identification of adjudicated juveniles; appropriating money; amending Minnesota Statutes 1990, sections 260.161, subdivision 1, and by adding a subdivision; and 299C.10; Minnesota Statutes 1991 Supplement, section 260.161, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 299C.

The bill was read for the first time and referred to the Committee on Judiciary.

**Lourey; Jennings; Olson, K.; Leppik and Dawkins introduced:**

H. F. No. 2413, A bill for an act relating to education; establishing an adopt-a-school program allowing students and the community to voluntarily maintain a public school; proposing coding for new law in Minnesota Statutes, chapter 120.

The bill was read for the first time and referred to the Committee on Education.

**Kelso, Smith, Orenstein and Bodahl introduced:**

H. F. No. 2414, A bill for an act relating to mosquito abatement; requiring the commissioner of agriculture to adopt rules to provide potentially affected persons notice of spraying; amending Minnesota Statutes 1990, sections 18.091; 18.121, subdivision 1; and 473.704, subdivision 17.

The bill was read for the first time and referred to the Committee on Agriculture.

**Kelso, Vellenga, Wagenius and Runbeck introduced:**

H. F. No. 2415, A bill for an act relating to human services; prohibiting restrictions on the right to provide licensed day care; proposing coding for new law in Minnesota Statutes, chapter 245A.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Lourey, Hausman, Jaros and Rukavina introduced:

H. F. No. 2416, A bill for an act relating to human services; increasing maximum medical assistance rates to cover the cost of one-to-one staffing for persons with severe behavioral needs; appropriating money; amending Minnesota Statutes 1991 Supplement, section 252.46, subdivision 3.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Lourey, Krueger, Bishop and Kahn introduced:

H. F. No. 2417, A bill for an act relating to telecommunications; allowing STARS system services to be resold or subleased to certain nonprofit organizations; amending Minnesota Statutes 1990, section 16B.465, subdivision 1.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Bauerly introduced:

H. F. No. 2418, A bill for an act relating to education; requiring school boards to receive approval from the state fire marshal before making certain fire safety corrections to school facilities; increasing the complement of the fire marshal division of the department of public safety; amending Minnesota Statutes 1990, sections 121.15, by adding a subdivision; and 121.1502, by adding a subdivision; Laws 1991, chapter 265, article 11, section 23, subdivision 3.

The bill was read for the first time and referred to the Committee on Education.

### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Madam Speaker:

I have the honor to announce that the Senate has appointed a committee of five members of the Senate to act with a like committee on the part of the House to escort the Honorable Arne H.

Carlson, Governor of the State of Minnesota, to the House Chamber on the occasion of the Joint Convention on Thursday, March 5, 1992, at 6:45 p.m.

Mr. Beckman; Mrs. Benson, J. E.; Meses. Ranum, Traub, and Mr. Terwilliger have been appointed as members of such committee on the part of the Senate.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to the following Senate File:

S. F. No. 81, A bill for an act relating to towns; clarifying certain provisions for the terms of town supervisor; providing for the compensation of certain town officers and employees; amending Minnesota Statutes 1990, sections 367.03, subdivision 1; and 367.05, subdivision 1.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Mr. Hottinger, Mrs. Adkins and Mr. Day.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Janezich moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 81. The motion prevailed.

### CONSENT CALENDAR

H. F. No. 1852 was reported to the House.

Brown moved to amend H. F. No. 1852, the first engrossment, as follows:

Page 1, line 7, after "by" insert "the Big Stone county board of commissioners,"

Page 1, line 8, after "commissioners" insert a comma and delete "by"

Page 2, line 12, after the second "the" insert "Big Stone county board, the"

Page 2, line 13, after the first "board" insert a comma

Amend the title as follows:

Page 1, line 2, after "to" insert "Big Stone," and after "Chippewa" insert a comma

The motion prevailed and the amendment was adopted.

H. F. No. 1852, A bill for an act relating to Big Stone, Chippewa, and Kandiyohi counties; permitting each county to consolidate the offices of auditor and treasurer.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 119 yeas and 12 nays as follows:

Those who voted in the affirmative were:

Abrams	Girard	Koppendrayner	Ogren	Seaberg
Anderson, I.	Goodno	Krambeer	Olsen, S.	Segal
Anderson, R. H.	Greenfield	Krinkie	Olson, E.	Simoneau
Battaglia	Gruenes	Krueger	Olson, K.	Skoglund
Bauerly	Gutknecht	Lasley	Omann	Smith
Beard	Hanson	Leppik	Onnen	Stanius
Begich	Hartle	Lieder	Orenstein	Sviggum
Bertram	Hasskamp	Limmer	Orfield	Swenson
Bishop	Haukoos	Lourey	Osthoff	Tompkins
Blatz	Hausman	Lynch	Ostrom	Trimble
Bodahl	Heir	Macklin	Ozment	Tunheim
Boo	Henry	Mariani	Pauly	Uphus
Brown	Hufnagle	Marsh	Pellow	Valento
Carlson	Hugoson	McEachern	Pelowski	Vanasek
Carruthers	Jacobs	McGuire	Peterson	Vellenga
Clark	Janezich	McPherson	Pugh	Wagenius
Cooper	Jaros	Milbert	Reding	Weaver
Dawkins	Jefferson	Morrison	Rest	Wejcmann
Dempsey	Jennings	Munger	Rice	Welker
Dorn	Johnson, A.	Murphy	Rukavina	Welle
Erhardt	Johnson, V.	Nelson, K.	Runbeck	Wenzel
Farrell	Kahn	Nelson, S.	Sarna	Winter
Frederick	Kelso	Newinski	Schafer	Spk. Long
Garcia	Knickerbocker	O'Connor	Schreiber	

Those who voted in the negative were:

Anderson, R.	Davids	Johnson, R.	Steensma
Bettermann	Dille	Kalis	Thompson
Dauner	Frerichs	Solberg	Waltman

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

H. F. No. 1957, A bill for an act relating to elected officials; restricting compensation for local elected officials; providing for terms for Cook county hospital district board members; amending Minnesota Statutes 1990, section 43A.17, by adding a subdivision; and Laws 1989, chapter 211, section 8, subdivision 3.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Kelso	Olsen, S.	Smith
Anderson, I.	Frerichs	Kinkel	Olson, E.	Solberg
Anderson, R.	Garcia	Knickerbocker	Olson, K.	Sparby
Anderson, R. H.	Girard	Koppendrayer	Omman	Stanius
Battaglia	Goodno	Krambeer	Onnen	Steensma
Bauerly	Greenfield	Krinkie	Orenstein	Sviggum
Beard	Gruenes	Krueger	Orfield	Swenson
Begich	Gutknecht	Lasley	Osthoff	Thompson
Bertram	Hanson	Leppik	Ostrom	Tompkins
Bettermann	Hartle	Lieder	Ozment	Trimble
Bishop	Hasskamp	Limmer	Fauly	Tunheim
Blatz	Haukoos	Lourey	Pellow	Uphus
Bodahl	Hausman	Lynch	Pelowski	Valento
Boo	Heir	Macklin	Peterson	Vanasek
Brown	Henry	Mariani	Pugh	Vellenga
Carlson	Hufnagle	Marsh	Reding	Wagenius
Carruthers	Hugoson	McEachern	Rest	Waltman
Clark	Jacobs	McGuire	Rice	Weaver
Cooper	Janezich	McPherson	Rukavina	Wejeman
Dauner	Jaros	Milbert	Runbeck	Welker
Davids	Jefferson	Morrison	Sarna	Welle
Dawkins	Jennings	Munger	Schafer	Wenzel
Dempsey	Johnson, A.	Murphy	Schreiber	Winter
Dille	Johnson, R.	Nelson, K.	Seaberg	Spk. Long
Dorn	Johnson, V.	Nelson, S.	Segal	
Erhardt	Kahn	Newinski	Simoneau	
Farrell	Kalis	O'Connor	Skoglund	

The bill was passed and its title agreed to.

H. F. No. 2031, A bill for an act relating to taxation; property; providing for the valuation and assessment of vacant platted property; excluding certain unimproved land sales from sales ratio studies; amending Minnesota Statutes 1990, section 124.2131, subdivision 1; Minnesota Statutes 1991 Supplement, section 273.11, subdivision 1.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Kelso	Ogren	Smith
Anderson, I.	Frerichs	Kinkel	Olsen, S.	Solberg
Anderson, R.	Garcia	Knickerbocker	Olson, E.	Sparby
Anderson, R. H.	Girard	Koppendrayer	Olson, K.	Stanius
Battaglia	Goodno	Krambeer	Omann	Steensma
Bauerly	Greenfield	Krinkie	Onnen	Sviggum
Beard	Gruenes	Krueger	Orenstein	Swenson
Begich	Gutknecht	Lasley	Orfield	Thompson
Bertram	Hanson	Leppik	Osthoff	Tompkins
Bettermann	Hartle	Lieder	Ostrom	Trimble
Bishop	Hasskamp	Limmer	Ozment	Tunheim
Blatz	Haukoos	Lourey	Pauly	Uphus
Bodahl	Hausman	Lynch	Pellow	Valento
Boo	Heir	Macklin	Pelowski	Vanasek
Brown	Henry	Mariani	Peterson	Vellenga
Carlson	Hufnagle	Marsh	Pugh	Wagenius
Carruthers	Hugoson	McEachern	Reding	Waitman
Clark	Jacobs	McGuire	Rest	Weaver
Cooper	Janezich	McPherson	Rice	Wejzman
Dauner	Jaros	Milbert	Rukavina	Welker
Davids	Jefferson	Morrison	Runbeck	Welle
Dawkins	Jennings	Munger	Sarna	Wenzel
Dempsey	Johnson, A.	Murphy	Schafer	Spk. Long
Dille	Johnson, R.	Nelson, K.	Schreiber	
Dorn	Johnson, V.	Nelson, S.	Seaberg	
Erhardt	Kahn	Newinski	Simoneau	
Farrell	Kalis	O'Connor	Skoglund	

The bill was passed and its title agreed to.

## GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Long in the Chair for consideration of bills pending on General Orders of the day. After some time spent therein the Committee arose.

### REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. No. 1862 was recommended to pass.

H. F. Nos. 1901, 756, 1681, 1833 and 1853 were recommended for progress.

H. F. No. 1889 which it recommended to pass with the following amendment offered by Rukavina:

Page 2, line 2, delete "separated" after "employees" insert "who are separated from employment"

On the motion of Welle the report of the Committee of the Whole was adopted.

## MOTIONS AND RESOLUTIONS

Weaver moved that his name be stricken as an author on H. F. No. 1143. The motion prevailed.

Mariani moved that the names of Greenfield, Rodosovich, Leppik and Segal be added as authors on H. F. No. 1494. The motion prevailed.

Long moved that the name of Skoglund be added as chief author on H. F. No. 1704. The motion prevailed.

Jaros moved that the name of Mariani be added as chief author on H. F. No. 1776. The motion prevailed.

Gutknecht moved that the name of Koppendrayer be stricken as an author on H. F. No. 1832. The motion prevailed.

Blatz moved that the name of Limmer be added as an author on H. F. No. 1968. The motion prevailed.

Solberg moved that the names of Hanson and Bauerly be added as authors on H. F. No. 2047. The motion prevailed.

Rest moved that the name of Newinski be added as an author on H. F. No. 2057. The motion prevailed.

Tunheim moved that the name of Hanson be added as an author on H. F. No. 2080. The motion prevailed.

Hanson moved that the name of Schafer be added as an author on H. F. No. 2107. The motion prevailed.

Lasley moved that the name of Hausman be added as an author on H. F. No. 2116. The motion prevailed.

Dempsey moved that the name of Frederick be added as an author on H. F. No. 2130. The motion prevailed.



Bauerly moved that the name of Carruthers be added as an author on H. F. No. 2211. The motion prevailed.

Carruthers moved that the names of Rodosovich, Welker and Winter be added as authors on H. F. No. 2231. The motion prevailed.

Clark moved that H. F. No. 1934 be recalled from the Committee on Environment and Natural Resources and be re-referred to the Committee on Governmental Operations. The motion prevailed.

Bodahl moved that S. F. No. 1666 be recalled from the Committee on Local Government and Metropolitan Affairs and together with H. F. No. 1825, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

Steensma moved that H. F. No. 2339 be recalled from the Committee on Education and be re-referred to the Committee on Agriculture. The motion prevailed.

#### TAKEN FROM THE TABLE

Bishop moved that H. F. No. 155 be taken from the table, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

#### ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 81:

Janezich; Anderson, I., and Fellow.

#### ADJOURNMENT

Welle moved that when the House adjourns today it adjourn until 2:30 p.m., Thursday, March 5, 1992. The motion prevailed.

Welle moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Thursday, March 5, 1992.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



STATE OF MINNESOTA

SEVENTY-SEVENTH SESSION—1992

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SEVENTY-SECOND DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, MARCH 4, 1992

The Senate met on Wednesday, March 4, 1992, which was the Seventy-second Legislative Day of the Seventy-seventh Session of the Minnesota State Legislature. The House of Representatives did not meet on this date.



## STATE OF MINNESOTA

## SEVENTY-SEVENTH SESSION—1992

## SEVENTY-THIRD DAY

SAINT PAUL, MINNESOTA, THURSDAY, MARCH 5, 1992

The House of Representatives convened at 2:30 p.m. and was called to order by Dee Long, Speaker of the House.

Prayer was offered by Father Eugene W. Tiffany, Church of the Holy Trinity, South St. Paul, Minnesota.

The roll was called and the following members were present:

Abrams	Farrell	Kalis	O'Connor	Segal
Anderson, I.	Frederick	Kelso	Ogren	Simoneau
Anderson, R.	Frerichs	Kinkel	Olsen, S.	Skoglund
Anderson, R. H.	Garcia	Knickerbocker	Olson, E.	Smith
Battaglia	Girard	Koppendrayer	Olson, K.	Sparby
Bauerly	Goodno	Krambeer	Omann	Stanius
Beard	Greenfield	Krinkie	Onnen	Steensma
Begich	Gruenes	Krueger	Orenstein	Sviggum
Bertram	Gutknecht	Lasley	Orfield	Swenson
Bettermann	Hanson	Leppik	Osthoff	Thompson
Bishop	Hartle	Lieder	Ostrom	Tompkins
Blatz	Hasskamp	Limmer	Ozment	Trimble
Bodahl	Haukoos	Lourey	Pauly	Tunheim
Boo	Hausman	Lynch	Pellow	Uphus
Brown	Heir	Macklin	Pelowski	Valento
Carlson	Henry	Mariani	Peterson	Vanasek
Carruthers	Hufnagle	Marsh	Pugh	Vellenga
Clark	Hugoson	McEachern	Reding	Wagenius
Cooper	Jacobs	McGuire	Rest	Waltman
Dauner	Jaros	McPherson	Rice	Weaver
Davids	Jefferson	Milbert	Rukavina	Wejman
Dawkins	Jennings	Morrison	Runbeck	Welker
Dempsey	Johnson, A.	Munger	Sarna	Welle
Dille	Johnson, R.	Murphy	Schafer	Wenzel
Dorn	Johnson, V.	Nelson, S.	Schreiber	Winter
Erhardt	Kahn	Newinski	Seaberg	Spk. Long

A quorum was present.

Janezich; Nelson, K.; Rodosovich and Solberg were excused.

The Chief Clerk proceeded to read the Journals of the preceding days. Lourey moved that further reading of the Journals be dispensed with and that the Journals be approved as corrected by the Chief Clerk. The motion prevailed.

## REPORTS OF CHIEF CLERK

S. F. No. 1666 and H. F. No. 1825, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

## SUSPENSION OF RULES

Bodahl moved that the rules be so far suspended that S. F. No. 1666 be substituted for H. F. No. 1825 and that the House File be indefinitely postponed. The motion prevailed.

## REPORTS OF STANDING COMMITTEES

Clark from the Committee on Housing to which was referred:

H. F. No. 123, A bill for an act relating to animals; requiring landlords to allow elderly tenants to keep certain pets; proposing coding for new law in Minnesota Statutes, chapter 504.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 779, A bill for an act relating to solid waste; regulating packaging and toxic materials in packaging and products; defining packaging; preempting local regulations relating to packaging; establishing a packaging advisory council; establishing a goal for reduction of packaging in the solid waste stream; establishing goals for reduction in the solid waste stream of specific classifications of packaging materials; imposing a future fee for failure to meet the reduction goal for a classification of packaging material; requiring counties to ensure recycling of commonly used packaging materials; requiring registration of and payment of a fee for use of priority toxic materials in products and packaging; requiring reduction of the use of toxic materials in packaging; requiring various reports and research; authorizing rulemaking; providing penalties; appropriating money; amending Minnesota Statutes 1990, sections 115A.02; 115A.03, by adding a subdivision; 115A.072, subdivision 2; 115A.12, subdivision 1, and by adding a subdivision; 115A.552, by adding a subdivision; 115A.557, by adding a subdivision; 115A.558; 115A.93, subdivision 3, and by adding a subdivision; 325E.042, subdivision 3,

and by adding a subdivision; and 400.08, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 115A; repealing Minnesota Statutes 1990, section 115A.953.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1  
WASTE PACKAGING REDUCTION

Section 1. Minnesota Statutes 1991 Supplement, section 115A.02, is amended to read:

115A.02 [LEGISLATIVE DECLARATION OF POLICY; PURPOSES.]

(a) It is the goal of this chapter to improve waste management in the state to serve the following purposes:

- (1) Reduction in waste generated;
- (2) Separation and recovery of materials and energy from waste;
- (3) Reduction in indiscriminate dependence on disposal of waste;
- (4) Coordination of solid waste management among political subdivisions; and
- (5) Orderly and deliberate development and financial security of waste facilities including disposal facilities.

(b) The waste management goal of the state is to foster an integrated waste management system in a manner appropriate to the characteristics of the waste stream. The following waste management practices are in order of preference:

- (1) waste reduction and reuse;
- (2) waste recycling;
- (3) composting of yard waste and food waste;
- (4) resource recovery through mixed municipal solid waste composting or incineration; and
- (5) land disposal.

(c) It is the further goal of this chapter to ensure that, to the extent practicable, solid waste is separated into groups that contain materials that lend themselves to reuse, recycling, composting, incineration, other processing, or disposal and that each county or group of counties that cooperatively manages solid waste ensure that each separate group is appropriately reused, recycled, composted, incinerated, otherwise processed, or disposed to minimize adverse environmental impacts.

Sec. 2. Minnesota Statutes 1990, section 115A.03, is amended by adding a subdivision to read:

Subd. 22b. [PACKAGING.] "Packaging" means any container and appurtenant material that provides a means of transportation, marketing, protecting, or handling a product. "Packaging" includes pallets and packing such as blocking, bracing, cushioning, weather-proofing, strapping, coatings, closures, inks, and labels.

Sec. 3. Minnesota Statutes 1990, section 115A.072, subdivision 2, is amended to read:

Subd. 2. [OFFICE DUTIES.] In addition to its general duties established in subdivision 1, the office shall:

(1) develop a statewide waste management public education campaign with materials that may be easily adapted by political subdivisions to meet their program needs and that, in addition to general waste management concerns, addresses reduction, reuse, recycling, composting, resource recovery, and disposal of packaging materials by consumers and others, including informing consumers of their right to remove unwanted packaging at the point of sale and to leave it with the seller, keeping in mind preservation of the safety and sanitation of the seller's establishment; and

(2) develop and make available to schools educational curricula on waste education for grades kindergarten to 12 to address at least waste reduction, reuse, recycling, litter, and proper management and disposal of problem materials; and

(3) inform consumers, after consultation with the commissioner of the agency and the department of natural resources, of the environmental consequences of burning solid waste materials outside of incinerators designed and permitted to burn solid waste and of on-site burial of solid waste.

Sec. 4. [115A.0721] [GOVERNOR'S AWARD; PACKAGING.]

The governor may issue annual awards in the form of commendations for excellence in producing, selling, reusing, reducing, or recycling packaging in an environmentally sound manner.



Sec. 5. [115A.0723] [PREEMPTION; PACKAGING AND LABELING REGULATION.]

Political subdivisions may not adopt, and are preempted from adopting or enforcing, requirements relating to the use of packaging in commerce, or relating to labeling of packaging for its constituent materials, that are different than state law.

Sec. 6. Minnesota Statutes 1990, section 115A.12, subdivision 1, is amended to read:

Subdivision 1. [SOLID AND HAZARDOUS WASTE MANAGEMENT.] (a) The director shall establish a solid waste management advisory council, a hazardous waste management planning council, ~~and a market development coordinating council, and a packaging advisory council,~~ that are broadly representative of the geographic areas and interests of the state.

(b) The solid waste council shall have not less than nine nor more than 21 members. The membership of the solid waste council shall consist of one-third citizen representatives, one-third representatives from local government units, and one-third representatives from private solid waste management firms. The solid waste council shall contain at least three members experienced in the private recycling industry and at least one member experienced in each of the following areas: state and municipal finance; solid waste collection, processing, and disposal; and solid waste reduction and resource recovery.

(c) The hazardous waste council shall have not less than nine nor more than 18 members. The membership of the hazardous waste advisory council shall consist of one-third citizen representatives, one-third representatives from local government units, and one-third representatives of hazardous waste generators and private hazardous waste management firms.

(d) The market development coordinating council shall have not less than nine nor more than 18 members and shall consist of one representative from the department of trade and economic development, the department of administration, the pollution control agency, the Greater Minnesota Corporation, the metropolitan council, and the legislative commission on waste management. The other members shall represent local government units, private recycling markets, and private recycling collectors. The market development coordinating council expires June 30, 1994.

(e) The packaging advisory council shall have not less than ten or more than 18 members. The membership of the packaging advisory council must consist of one-half representatives of the public sector and one-half representatives from the private sector related to packaging concerns. Three members must have packaging expertise

and three members must have technical solid waste expertise. The packaging advisory council expires June 30, 1996.

(e) (f) The chairs of the advisory councils shall be appointed by the director. The director shall provide administrative and staff services for the advisory councils. The advisory councils shall have such duties as are assigned by law or the director. The solid waste advisory council shall make recommendations to the office on its solid waste management activities. The hazardous waste advisory council shall make recommendations to the office on its activities under sections 115A.08, 115A.09, 115A.10, 115A.11, 115A.20, 115A.21, and 115A.24. Members of the advisory councils shall serve without compensation but shall be reimbursed for their reasonable expenses as determined by the director. The solid waste management advisory council and the hazardous waste management planning council expire June 30, 1994.

Sec. 7. Minnesota Statutes 1990, section 115A.12, is amended by adding a subdivision to read:

Subd. 3. [PACKAGING ADVISORY COUNCIL; DUTIES.] The packaging advisory council shall advise the director on the implementation of sections 115A.5501, 115A.5502, and 115A.552, subdivision 5. The council shall also:

(1) assess progress toward meeting the goal established in section 115A.5501;

(2) advise the director on recovery methods and rates for types of packaging materials;

(3) advise the director on standard procedures for measuring the amount of packaging in the waste stream and the environmental consequences of processing and disposal of the various types of packaging materials;

(4) review progress made toward the production and use of environmentally sound packaging;

(5) report by July 1, 1993, to the director on the likelihood of implementation of a nationwide environmental labeling program for packaging and when such a labeling program will be implemented; and

(6) report to the director a comprehensive range of public policies and private activities that might encourage reduction in the amount of or environmental risks associated with production and use of packaging.

Sec. 8. [115A.5501] [REDUCTION OF PACKAGING IN WASTE.]

Subdivision 1. [STATEWIDE WASTE PACKAGING REDUCTION GOAL.] It is the goal of the state that there be a minimum 25 percent statewide per capita reduction in the amount of discarded packaging delivered to solid waste composting, incineration, refuse-derived fuel and disposal facilities by July 1, 1995, based on a reasonable estimate of the amount of packaging that was delivered to solid waste composting, incineration, and disposal facilities in fiscal year 1992.

Subd. 2. [MEASUREMENT; PROCEDURES.] To measure the overall percentage of packaging in the statewide solid waste stream, the commissioner and the chair of the metropolitan council, in consultation with the director shall each conduct an annual four-season solid waste composition study in the nonmetropolitan and metropolitan areas respectively or shall develop an alternative statistically reliable method to measure the percentage of packaging in the waste stream.

Beginning in 1992, the chair of the council shall submit the results from the metropolitan area to the commissioner by August 15 of each year. The commissioner shall average the nonmetropolitan and metropolitan results and submit the statewide percentage, along with a statistically reliable margin of error, to the director by August 31 of each year. The director shall report the information to the legislative commission on waste management by November 15 of each year.

Subd. 3. [FACILITY COOPERATION AND REPORTS.] The owner or operator of a solid waste composting, incineration, refuse-derived fuel or disposal facility shall allow access upon reasonable notice to authorized office, agency, or metropolitan council staff for the purpose of conducting waste composition studies or otherwise assessing the amount of total packaging in the waste delivered to the facility under this section.

Beginning in 1992, by August 1 of each year the owner or operator of a facility governed by this subdivision shall submit a report to the commissioner, on a form prescribed by the commissioner, information specifying the total amount of solid waste received by the facility between July 1 of the previous year and June 30 of the year the report is made. The commissioner shall calculate the total amount of solid waste delivered to solid waste facilities from the reports received from the facility owners or operators and shall report the aggregate amount to the director by August 31 of each year. The commissioner shall assess a nonforgivable administrative penalty under section 116.072 of \$500 plus any forgivable amount necessary to enforce this subdivision on any owner or operator who fails to submit a report required by this subdivision.

Subd. 4. [REPORT.] The director shall apply the statewide percentage determined under subdivision 2 to the aggregate amount of

solid waste determined under subdivision 3 to determine the amount of packaging in the waste stream. By November 15, 1995, the director shall submit to the legislative commission on waste management an analysis of the extent to which the waste packaging reduction goal in subdivision 1 has been met. In determining whether the goal has been met, the margin of error must be applied in favor of meeting the goal.

Sec. 9. [115A.5502] [ADVANCE DISPOSAL FEE.]

Subdivision 1. [FEE.] If the director reports under section 115A.5501, subdivision 4, that the waste packaging reduction goal has not been met, a manufacturer or importer, as defined in section 115A.951, subdivision 2, who ships to or bills to a person in this state packaging for use in conjunction with a product for retail sale in this state shall pay an advance disposal fee of one cent for each package or packaged product shipped to or billed to a person in this state based on the product's smallest unit division intended for sale at the retail level. If a number of packaged products that can be and are sold individually are bundled or aggregated and packaged again and sold in another context as one item, the one cent fee applies to each individual product that can be sold individually and to the package that bundles or aggregates the individual products.

Subd. 2. [PAYMENT.] The number of packages or packaged products shipped to or billed to persons in this state must be reported to the director and the commissioner of the department of revenue and fees must be paid to the commissioner of revenue on forms and in the manner prescribed by the commissioner. The commissioner of revenue and the director, after consultation with the packaging advisory council, may each adopt rules to implement this section.

Subd. 3. [EXEMPTIONS FROM FEE.] (a) The rules must exempt from payment of the advance disposal fee packaging:

(1) that has achieved significant reduction of material in its manufacture since 1985 measured against the most efficient use of packaging in delivering a given product in a comparable market;

(2) that is designed to be and actually is reused for the original purpose at least five times;

(3) that consists of at least 50 percent postconsumer recycled material;

(4) that is recyclable and is regularly collected for recycling through recycling collection programs available to at least 75 percent of the residents of the state;

(5) that is required under federal or state law for health and safety

purposes and for which there are no environmentally less harmful substitutes; or

(6) for which no commercially feasible substitute material would offer any environmental advantage.

(b) To qualify for an exemption under this subdivision, the manufacturer of the packaging or of the product to be sold in conjunction with the packaging shall submit the reports required in subdivision 2 together with evidence that the packaging meets one or more of the requirements of paragraph (a), clauses (1) to (6), and must receive written approval from the director for the exemption. The director shall allow an exemption for packaging that meets one of the requirements of paragraph (a), clauses (1) to (6).

(c) A package does not meet the material reduction requirements of paragraph (a), clause (1), if in reducing the amount of material used to make the package the reduction results in changing:

(1) from a material that allows the package to be reused to a material that does not allow the package to be reused at least as many times as the original material;

(2) from a material that consists of postconsumer recycled material to a material that contains less postconsumer recycled material; or

(3) from a recyclable material that is being recycled to a nonrecyclable material or to a recyclable material collected by fewer recycling collection programs than the original material.

Subd. 5. [EXCHANGE OF INFORMATION.] The director may provide the commissioner of revenue with the information necessary for the enforcement of this section. Information disclosed in a return filed under this section is public information. Information exchanged between the commissioner and the director is public unless the information is trade secret information classified under section 13.37. Information obtained in the course of an audit by the department of revenue is private or nonpublic data to the extent that it would not be directly divulged in a return.

Subd. 6. [ENFORCEMENT AND APPLICATION.] The fees in this section may be enforced under section 115A.9512, subdivision 10, and apply to packaging shipped to persons in this state beginning January 1, 1996.

Sec. 10. Minnesota Statutes 1990, section 115A.552, is amended by adding a subdivision to read:

Subd. 5. [PACKAGING MATERIALS.] Each county shall ensure

that recycling services are available for residents in the county, including residents of single and multifamily dwellings, to recycle the maximum number of different types of postconsumer packaging materials that is economically feasible given availability of state, local, and private funding for recycling programs. A county may contract with a person or entity, including but not limited to, a manufacturer, distributor, wholesaler, retailer, or a group of manufacturers, distributors, wholesalers, or retailers, to expand a recycling collection program to include any specific recyclable material if the person or entity agrees to pay the county an amount equal to the incremental cost to the program to collect, transport, store, process, and market the material.

Sec. 11. Minnesota Statutes 1990, section 115A.558, is amended to read:

**115A.558 [SAFETY GUIDE; WORKER SAFETY.]**

Subdivision 1. [SAFETY GUIDE.] The pollution control agency, in cooperation with the office of waste management and the metropolitan council, shall prepare and distribute to all interested persons a guide for operation of a recycling or yard waste composting facility to protect the environment and public health.

Subd. 2. [WORKER SAFETY.] The commissioner, in cooperation with the director and the commissioners of the departments of health and labor and industry, shall determine the health and safety risks of workers who sort and process recyclable materials in recycling and waste facilities and shall prepare and distribute, as part of the safety guide required in subdivision 1 or separately, a guide to minimization of health and safety risks for the workers. The commissioner of the department of labor and industry shall amend rules relating to the protection and safety of workers accordingly.

Sec. 12. [115A.56] [RECYCLED CONTENT IN CERTAIN PRODUCTS AND PACKAGING.]

Subdivision 1. [DEFINITIONS.] The definitions in this subdivision apply to this section.

(a) "Paper" means products made of paper to be used for printing, duplicating, or writing, and paper containing printed, duplicated, or written information, including magazines, catalogs and solicitations, and telephone directories.

(b) "Paper packaging" means packaging made, in whole or in part, of rigid or flexible paper that is sold or distributed empty or filled.

(c) "Plastic packaging" means rigid or flexible packaging, includ-

ing films, made, in whole or in part, of one or more plastic resins that is sold or distributed empty or filled.

(d) "Telephone directory" means a printed list of residential, governmental, and/or commercial telephone service subscribers or users that is distributed to the subscribers or users, except a directory distributed primarily within an organization that is not a telephone company for use by the members or employees of the organization.

Subd. 2. [RECYCLED CONTENT; REQUIREMENTS.] (a) By January 1, 1996, glass packaging, newsprint, paper, paper packaging, and plastic packaging that is distributed for sale or use must contain at least 25 percent postconsumer recycled material.

(b) By January 1, 2000, glass packaging, newsprint, paper, paper packaging, and plastic packaging that is distributed for sale or use must contain at least 50 percent postconsumer recycled material.

Subd. 3. [EXEMPTIONS; EXCLUSIONS.] (a) A product or package is exempt from the recycled content requirement of subdivision 2 if the product or package cannot comply because of other federal or state requirements.

(b) A manufacturer or distributor of a product or package may apply to the commissioner of the agency for exclusion from the requirements of subdivision 2 if the manufacturer is unable to obtain a sufficient supply of postconsumer material to meet those requirements. An application for an exclusion must include a plan detailing how and when the person intends to meet the requirements in the future. The commissioner may grant an exclusion if the commissioner determines that the manufacturer has no reasonable means of complying with the requirements. Economic considerations alone are insufficient for granting an exclusion.

Subd. 4. [LABELING.] A person may not label or otherwise indicate on a product or package that is distributed for sale or use that the product or package contains recycled material unless the product or package meets the requirements in subdivision 2.

Subd. 5. [PENALTY; ENFORCEMENT.] (a) A person who violates subdivision 2, paragraph (b), is subject to a minimum civil penalty of \$100 per item that is distributed in the state in violation of that paragraph.

(b) The commissioner of the agency may enforce subdivision 2, paragraph (a), under section 116.072 and may enforce subdivision 2, paragraph (b), under sections 115.071 and 116.072.

Sec. 13. Minnesota Statutes 1990, section 325E.042, subdivision 3, is amended to read:

Subd. 3. [PENALTY.] A person who violates ~~subdivision 1 or 2~~ this section is guilty of a misdemeanor.

Sec. 14. Minnesota Statutes 1990, section 400.08, subdivision 5, is amended to read:

Subd. 5. [FINANCIAL INCENTIVES TO RECYCLE.] A county may:

(1) ~~charge or may require any person who collects solid waste in the county to charge solid waste generators rates for collection or disposal that vary depending on the volume of waste generated;~~

(2) ~~require collectors~~ any person who collects solid waste in the county to provide significant financial incentives to solid waste generators who separate recyclable materials from their waste; or

(3) (2) require use of any other mechanism to provide encouragement or rewards to solid waste generators who reduce their waste generation or who separate recyclable materials from their waste.

Sec. 15. [REPEALER.]

Section 5 is repealed effective July 1, 1996.

## ARTICLE 2

### PRIORITY TOXICS REGISTRATION

Section 1. [115A.951] [SCOPE.]

Subdivision 1. [DEFINITIONS.] For purposes of sections 1 to 3, the terms in this section have the meanings given.

Subd. 2. [IMPORTATION.] "Importation" means the purchase of a product from a nonregistered seller, located outside of this state, for retail sale in Minnesota.

Subd. 3. [PRIORITY TOXIC.] "Priority toxic" means a material defined as a priority toxic under section 115A.9511, subdivision 1, 2, or 3.

Subd. 4. [PRODUCT.] "Product" means tangible personal property that is manufactured or imported for retail sale in this state. Product includes the packaging and other material that is sold with



the product at retail. Product does not include durable goods with an expected useful life of three years or more.

Subd. 5. [RETAIL SALE.] "Retail sale" has the meaning given in section 297A.01.

Sec. 2. [115A.9511] [PRIORITY TOXICS IN SOLID WASTE.]

Subdivision 1. [LIST OF PRIORITY TOXICS.] Priority toxics are:

(1) the following metals, whether used in elemental form or as a compound: arsenic, barium, cadmium, chromium, lead, manganese, mercury, nickel, silver; and

(2) the following chemical compounds, whether identified by this name or a synonym: acetone, benzene, bromomethane, chloromethane, chloroform, 1,4-dichlorobenzene, dichlorodifluoromethane, 1,2-dichloroethylene, 1,2-dichloropropane, ethyl benzene, ethyl ether, methyl ethyl ketone, methylene chloride, tetrahydrofuran, toluene, trichlorofluoromethane, m-xylene, o-xylene, and p-xylene.

Subd. 2. [REVISED LIST; PUBLICATION.] The commissioner shall add a hazardous substance to the list in subdivision 1 when, during the preceding reporting year, that substance appeared in:

(1) leachate collected from 50 percent or more of the mixed municipal solid waste disposal facilities in the state sampled as required under state rules; or

(2) the leachate samples collected from 50 percent or more of the mixed municipal solid waste incinerator ash disposal facilities in the state.

By October 1 of each year the commissioner shall publish in the State Register a notice of determination that lists the priority toxics in subdivision 1 and any toxics added to the list since the most recent publication. The notice of determination is not subject to chapter 14 but it must be filed with the secretary of state and included in Minnesota Rules. A copy of the notice of determination must be submitted to the chairs of the committees on environment and natural resources in the house of representatives and the senate and to the chair of the legislative commission on waste management.

Additions to the list of priority toxics under this subdivision are effective for sales made after the next January 1 for purpose of the fee under section 115A.9512.

A substance, listed on the priority toxics list in subdivision 1 or under this subdivision or subdivision 3, must be removed from the

list if the United States Environmental Protection Agency or federal law removes the substance from the federal list of hazardous substances for the purposes of the Federal Superfund Act, as defined in section 115B.02, subdivision 6.

Subd. 3. [OTHER PRIORITY TOXICS.] The commissioner, after consultation with representatives of the public and private sectors who have technical expertise on the impact of hazardous substances on human health and the environment, shall recommend to the legislative commission on waste management by November 1 of each year beginning in 1993 additional substances that do not meet the criteria under subdivision 2 but that should be added to the list in subdivision 1 because they:

(1) pose risks to human health or the environment similar to those risks posed by the substances that appear on the list or that are added under subdivision 2; and

(2) appear in products or packaging materials that are likely to be discarded as solid waste or are likely to require special management to keep them separate from solid waste.

Subd. 4. [PRIORITY TOXICS MANAGEMENT ACCOUNT.] The priority toxics management account is in the environmental fund in the state treasury. The account consists of revenue deposited in it under section 115A.9512, subdivision 6. The commissioner of finance shall administer the account.

Subd. 5. [APPROPRIATION; PURPOSES FOR WHICH MONEY MAY BE SPENT.] On June 30 of each year the commissioner of finance shall transfer \$15,000,000 from the priority toxics management account to the environmental response, compensation, and compliance account established in section 115B.20 to be used solely in connection with solid waste disposal facilities using procedures to be established by the legislature after receipt of recommendations from the commissioner of the agency.

Subject to appropriation by the legislature, the remainder of the money in the priority toxics management account may be appropriated for any of the following purposes:

(1) administrative and legal costs of the office of waste management, the department of revenue, the metropolitan council, and the pollution control agency related to implementation and enforcement of sections 115A.9511 and 115A.9512;

(2) household hazardous waste management programs that prevent the inclusion of household hazardous waste in mixed municipal solid waste;

(3) problem materials identification and labeling;

(4) reimbursement of an owner or operator of a resource recovery facility for the actual costs incurred for necessary testing and treatment of ash generated by the facility prior to disposal, unless the facility has not implemented its plan for separation from the waste stream of household hazardous waste;

(5) research and implementation of projects to develop and publicize alternatives to the use of priority toxics in products and packaging and to develop and implement methods of managing solid waste materials that contain priority toxics to minimize environmental degradation; and

(6) grants or loans to be administered by the director of the office to persons for development of facilities and technologies to recycle priority toxics in products and packaging.

### Sec. 3. [115A.9512] [PRIORITY TOXICS; REGISTRATION.]

Subdivision 1. [REGISTRATION REQUIRED.] Each product into which has been deliberately introduced a priority toxic material, except a product that is exempt under subdivision 4, must be registered with the commissioner. The commissioner, in consultation with the commissioner of revenue, shall prescribe the registration forms and procedures. The manufacturer shall register the product. If the manufacturer does not register the product, an importer or other seller may register the product.

Subd. 2. [LABELING.] The manufacturer of a product or package sold or otherwise distributed in this state into which a priority toxic material has been deliberately introduced shall:

(1) label the product, or the shipping container for the product, or package with the type and amount by weight of each priority toxic material in the product or package; or

(2) clearly identify on the invoice or shipping documents for the product or package, or on a separate sheet to be included with the invoice or shipping documents, a statement of the type and amount by weight of each priority toxic material in the product or package.

If the manufacturer identifies priority toxic materials on invoices or shipping documents or on a separate sheet to be included with the invoice or shipping documents, the document that includes the priority toxic material information must be forwarded with the product or package and retained by the first importer of the product or package for at least five years.

For products and packages manufactured in the state, the manu-

facturer shall also keep records of the amount of priority toxic materials in the manufacturer's products or packages that are sold or otherwise distributed in the state for at least five years.

A person required to retain records under this subdivision shall allow access to the records by the commissioner of the department of revenue or the commissioner's designee.

Subd. 3. [FEE IMPOSED.] A registration fee is imposed on the registration of the product. The fee is \$150, for a manufacturer or importer other than a retailer that is a small business or any other small business, for any amount of each priority toxic contained in the product line sold in Minnesota for the calendar year; plus 50 cents per pound of each priority toxic contained in the product line up to 100 pounds and 75 cents per pound for 100 pounds or more. A retailer that is a small business or any other small business that registers a product line sold by that retailer or small business may choose to pay:

(1) \$10 for any amount of each priority toxic contained in a product line sold by the retailer or small business during the calendar year; plus 50 cents per pound of each priority toxic contained in the product line up to 100 pounds and 75 cents per pound for 100 pounds or more; or

(2) \$25 for any amount of a priority toxic contained in a product line sold by the retailer or small business during the calendar year. The fee shall be paid by the manufacturer or importer of the product registering the product and as provided in this section.

Subd. 4. [EXEMPTIONS.] Any product containing a priority toxic is subject to registration and the fee unless specifically exempted under this section. The following products containing priority toxics are exempt:

(1) articles used for (i) food or drink for humans or animals, (ii) chewing gum, or (iii) components of such an article;

(2) drugs, as defined in United States Code, title 21, section 321(g)(1);

(3) a product that is banned by state or federal law from the solid waste stream and for which there exists an effective separate collection and processing system that receives no ongoing financial assistance from the state or a political subdivision; and

(4) a product for which the manufacturers or importers establish an effective collection and processing system that is separate from the solid waste stream and that receives no ongoing financial assistance from the state or a political subdivision.

The commissioner of the pollution control agency, in consultation with the director of the office of waste management, shall develop and maintain a list of products that qualify for exemption under clauses (3) and (4) and annually submit an updated list to the commissioner of revenue.

Subd. 5. [PAYMENT DATES AND RETURNS.] (a) The manufacturer or importer must make estimated payments of the fee for the calendar year in quarterly installments to the commissioner of revenue by April 15, July 15, October 15, and January 15 of the following calendar year. The manufacturer or importer must file an annual return, reconciling the quarterly estimated payments with the total liability for the calendar year by March 1 of the following calendar year. The estimated payments and annual return must contain the information and be in the form prescribed by the commissioner of revenue.

(b) Estimated payments are not required, if the estimated fee for the calendar year is less than \$500.

(c) If the manufacturer or importer is engaged in business within and without Minnesota, it must determine the amount of its product sales that are made in Minnesota. If necessary, it must estimate the amount of its products sold in Minnesota using a reasonable and reliable method. The estimation method must be documented and provided to the commissioner of revenue upon request.

(d) The commissioner of revenue may pay refunds or allow credits to the manufacturer or importer for overpayments of the fee.

(e) Payment of estimated installments is not subject to the provisions of subdivision 10. Underpayments of estimated installments bear interest from the due date of the payment until paid or the due date of the annual return at the rate specified in section 270.75. Underpayments of estimated installments are, in addition, subject to a penalty equal to the greater of \$50 or ten percent of the underpayment. For purposes of this section, an underpayment of an estimated installment is the difference between the amount paid and the lesser of (1) 90 percent of one-quarter of the fee for the calendar year, or (2) the fee for actual sales made during the quarter. Interest and penalties under subdivision 10 apply to the fee, including any unpaid estimated installments, due with the annual return.

Subd. 6. [DEPOSIT OF RECEIPTS.] The commissioner of revenue shall deposit the fees paid under this section in the priority toxics management account in the environmental fund in the state treasury.

Subd. 7. [REGISTRATION LIST.] The commissioner shall make

available to the public a list of products that have been registered under this section.

Subd. 8. [REMOVAL FROM REGISTRATION.] When a registered product no longer contains any priority toxics, the manufacturer may apply to the commissioner to remove the product from the registration list. The application must include documentation showing that the product no longer contains any of the substances on the applicable priority toxics list. The commissioner shall remove a product from the registration list when the commissioner determines that it no longer contains any priority toxics.

Subd. 9. [EXCHANGE OF INFORMATION.] Notwithstanding the provisions of section 116.075, the agency may provide the commissioner of revenue with the information necessary for the enforcement of this section. Information disclosed in a return filed under this section is public information. Information exchanged between the commissioner and the agency is public unless the information is of the type determined to be for the confidential use of the agency under section 116.075 or is trade secret information classified under section 13.37. Information obtained in the course of an audit by the department of revenue is private or nonpublic data to the extent that it would not be directly divulged in a return.

Subd. 10. [SALES TAX ENFORCEMENT AND PENALTY PROVISION APPLY.] Except as otherwise specifically provided in this section, the enforcement, collection, interest, and penalty provisions, including criminal penalties, for the general sales tax under chapters 270, 289A, and 297A apply to liability for the fee imposed under this section as if it were a sales tax liability.

In an enforcement action brought by the attorney general, in the name of the state, under this subdivision in which the state prevails, the state may recover reasonable administrative expenses, court costs, and attorney fees incurred to take the enforcement action in an amount to be determined by the court.

Subd. 11. [SALE OF UNREGISTERED PRODUCTS PROHIBITED.] No product containing priority toxic material that is not registered as required by this section may be sold, at retail, in this state. The provisions of this section do not apply to materials, the first sale of which occurred in Minnesota before July 1, 1992, or to occasional sales, as defined in section 297A.25, subdivision 12. Violation of this subdivision is a gross misdemeanor punishable by imprisonment for up to one year, or a fine of up to \$1,000, or both, for each violation.

### ARTICLE 3

#### REPORTS AND APPROPRIATIONS

##### Section 1. [RESEARCH.]

(a) For the purposes of adopting rules under this act and for recommending future legislative action, the director of the office, in consultation with the commissioner of the pollution control agency, shall:

(1) identify innovative collection and processing systems for the purpose of increasing the types and amount of packaging that is collected and recycled; and

(2) provide economic guidelines for counties, cities, and towns that indicate when a jurisdiction should add to its recycling program the collection and processing of a specific classification of packaging material.

(b) For the purposes of adopting rules under this act and for recommending future legislative action, the commissioner of the pollution control agency, in consultation with the director of the office of waste management, shall:

(1) establish methods to determine the true costs of processing, disposal, and recycling of packaging and methods for internalizing those costs in the manufacture, sale, and use of products;

(2) identify methods to compensate for existing subsidies that encourage the use of virgin materials for packaging; and

(3) identify the health and environmental consequences of burning and burying packaging materials outside of permitted waste facilities.

## Sec. 2. [ENVIRONMENTAL BURDEN FEE; REPORT.]

By November 1, 1993, the director of the office of waste management, after consultation with the commissioners of revenue and the pollution control agency and other interested parties, shall recommend to the legislative commission on waste management a mechanism for imposition and collection of a fee on packaging that poses significant harmful environmental consequences when it is processed or disposed as solid waste. The fee must be set at a level that will cover the costs of the harmful environmental consequences or the costs of separate management of the waste packaging.

## Sec. 3. [APPROPRIATIONS.]

Subdivision 1. [APPROPRIATIONS.] The following amounts are appropriated from the general fund to the agencies and for the purposes indicated, to be available for the fiscal year ending June 30 in the years indicated. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Subd. 2. [OFFICE OF WASTE MANAGEMENT.]

	<u>1992</u>	<u>1993</u>
(a) .....	.....	.....
(b) .....	.....	.....
(c) .....	.....	.....
(d) .....	.....	.....

The complement of the office of waste management is increased by ... positions.

Subd. 3. [POLLUTION CONTROL AGENCY.]

(a) .....	.....	.....
(b) .....	.....	.....
(c) .....	.....	.....

The complement of the pollution control agency is increased by ... positions.

Subd. 4. [DEPARTMENT OF REVENUE.]

(a) .....	.....	.....
(b) .....	.....	.....

The complement of the department of revenue is increased by ... positions."

Delete the title and insert:

"A bill for an act relating to solid waste; regulating packaging and toxic materials in packaging and products; defining packaging; preempting local regulations relating to packaging; establishing a packaging advisory council; establishing a goal for reduction of packaging in the solid waste stream; requiring counties to ensure recycling of commonly used packaging materials; establishing a nonrefillable container deposit, return, and recycling system; requiring registration of and payment of a fee for use of priority toxic materials in products and packaging; requiring reduction of the use of toxic materials in packaging; requiring various reports and research; authorizing rulemaking; providing penalties; appropriating money; amending Minnesota Statutes 1990, sections 115A.03, by adding a subdivision; 115A.072, subdivision 2; 115A.12, subdivision 1, and by adding a subdivision; 115A.552, by adding a subdivision; 115A.558; 325E.042, subdivision 3; and 400.08, subdivision 5; Minnesota Statutes 1991 Supplement, section 115A.02; proposing coding for new law in Minnesota Statutes, chapter 115A."



With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 827, A bill for an act relating to natural resources; regulating the growing, harvesting, processing, and sale of certain wild rice; providing for a wild rice marketing program; imposing penalties; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 30; repealing Minnesota Statutes 1990, section 30.49.

Reported the same back with the following amendments:

Page 1, line 16, after the semicolon insert "Red Lake reservation of Red Lake;"

Page 3, delete sections 4 to 6

Delete the title and insert:

"A bill for an act relating to natural resources; regulating the growing, harvesting, processing, and sale of certain wild rice; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 30."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Agriculture.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 917, A bill for an act relating to commerce; requiring additional license for motor vehicle lessor, wholesaler, or auctioneer when establishing additional place of doing business in a second class city outside of the metropolitan area; amending Minnesota Statutes 1990, section 168.27, subdivision 10.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 1488, A bill for an act relating to cooperatives; providing for equal representation on the board from districts or units of certain cooperatives; proposing coding for new law in Minnesota Statutes, chapter 308A.

Reported the same back with the following amendments:

Page 1, line 9, after "cooperative" insert "that has 25,000 members or more and"

Page 1, line 14, before "If" insert "The bylaws must provide for a survey to take place at least once every ten years to determine if the number of members in a district or local unit has changed and"

Page 1, line 15, delete "changes" and insert "has changed" and delete "ten" and insert "20"

With the recommendation that when so amended the bill pass.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 1489, A bill for an act relating to cooperatives; applying the open meeting law to certain electric cooperatives; proposing coding for new law in Minnesota Statutes, chapter 308A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [308A.327] [ELECTRIC COOPERATIVE; BOARD MEETINGS.]

A regular or special meeting of the board of directors of an electric cooperative that has more than 50,000 members must be open to all members of the cooperative. The board shall give reasonable prior notice of meetings. The board may close a meeting or a portion of a meeting, provided the board has made a written determination that a closed meeting is necessary for one of the following reasons:

(1) to discuss personnel matters, compensation issues, labor

negotiations, billing and credit information, or an issue that may tend to prejudice the reputation of an individual;

(2) to discuss threatened or pending litigation, issues subject to an attorney-client privilege, or other legal information, the knowledge of which may have an adverse effect on the cooperative's legal position; or

(3) to discuss or disclose information that, if discussed in an open meeting, would result in impairment of the cooperative's competitive or financial position, interfere with a business opportunity, or reveal proprietary information.

For the purposes of clause (3), a business opportunity means an opportunity for substantial financial improvement of the cooperative that, if generally known, would likely jeopardize the opportunity itself.

The board may close a portion of a meeting after announcing during an open meeting the item of business to be discussed during the closed portion."

Delete the title and insert:

"A bill for an act relating to cooperatives; regulating regular or special meetings; requiring meetings to be open to members, with certain exceptions; proposing coding for new law in Minnesota Statutes, chapter 308A."

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 1817, A bill for an act relating to commerce; restraint of trade; providing a civil remedy for injury to business reputation or dilution of quality of a mark; providing grounds for injunctive relief; proposing coding for new law in Minnesota Statutes, chapter 325D.

Reported the same back with the following amendments:

Page 1, line 10, delete "registered or unregistered"

Page 1, line 11, delete "notwithstanding" and insert "regardless of the presence or"

Page 1, line 12, delete the second "absence" and insert "likelihood"

Page 1, line 13, delete everything after "confusion" and insert "; mistake, or deception."

Page 1, line 19, delete "or secondary"

Page 1, line 20, delete "meaning,"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Judiciary.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 1827, A bill for an act relating to livestock diseases; modifying requirements for certain tests; amending Minnesota Statutes 1990, sections 35.245, subdivisions 1 and 2; and 35.251; repealing Minnesota Statutes 1990, section 35.245, subdivision 1a.

Reported the same back with the following amendments:

Page 1, after line 7, insert:

"Section 1. [35.243] [RULES FOR CONTROL OF BRUCELLOSIS IN CATTLE.]

The board of animal health shall adopt rules to provide for the control of brucellosis in cattle. The rules may include provisions for quarantine, tests and vaccinations, and other measures the board deems appropriate."

Page 1, line 8, delete "Section 1." and insert "Sec. 2."

Page 1, line 10, after "sell" insert ", lease, or loan"

Page 1, line 11, after "sale" insert ", lease, or loan" and strike "over six months of age at"

Page 1, line 12, strike the old language and delete the new language

Page 1, line 13, strike the old language

Page 1, line 15, strike everything after the period

Page 1, lines 16 to 18, strike the old language

Page 1, line 19, delete "2" and insert "3"

Page 2, line 10, delete "3" and insert "4"

Page 2, line 13, delete "Canada" and insert "a country"

Page 2, line 14, strike "health" and after "certificate" insert "of veterinary inspection"

Page 2, line 25, delete "4" and insert "5"

Amend the title as follows:

Page 1, line 3, after the semicolon insert "providing for adoption of certain rules;"

Page 1, line 4, after the second semicolon insert "proposing coding for new law in Minnesota Statutes, chapter 35;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 1873, A bill for an act relating to public employment; requiring public employers to include certain former employees in the same insurance pool as active employees; amending Minnesota Statutes 1990, sections 43A.27, subdivision 3; and 471.61, by adding a subdivision.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 1895, A bill for an act relating to retirement; establishing an ambulance service personnel longevity award and incentive program; redirecting proceeds of a driver's license surtax; amending Minnesota Statutes 1991 Supplement, sections 171.06, subdivision

2b; 353D.01, subdivision 2; 353D.02; 353D.03; 353D.05, subdivisions 1 and 3; and 353D.06; proposing coding for new law as Minnesota Statutes, chapter 356B; repealing Minnesota Statutes 1991 Supplement, sections 353D.01, subdivisions 1a and 1b; 353D.021; 353D.031; 353D.051; and 353D.091; and Laws 1991, chapter 291, article 19, section 11.

Reported the same back with the following amendments:

Page 1, line 25, after the period insert “The purpose of the ambulance service personnel longevity award and incentive trust is to accumulate funds to allow for the payment of longevity awards to qualified ambulance service personnel upon the completion of a substantial ambulance service career.”

Page 1, line 26, before “The” insert “(a)”

Page 1, line 27, delete “the administrative” and insert “administered by”

Page 1, line 28, delete “responsibility of” and delete “finance” and insert “health” and after the period insert “The administrative responsibilities of the commissioner of health for the program relate solely to the record keeping, award application, and award payment functions. The state board of investment is responsible for the investment of the ambulance service personnel longevity award and incentive trust. Each ambulance service is responsible for determining, consistent with this chapter, who is a qualified ambulance service person, what constitutes a year of credited ambulance service, what constitutes sufficient documentation of a year of prior service, and submission of all necessary data to the commissioner of health in a manner consistent with this chapter. Determinations of an ambulance service are final.”

(b)”

Page 1, line 29, delete “finance” and insert “health”

Page 2, delete lines 5 to 16

Page 2, line 24, after “directors” insert “or medical advisors”

Page 2, line 30, after “performance” insert “during the 12 months ending as of the immediately previous June 30”

Page 2, line 32, after “verified” insert “by August 1” and delete “a statement certified by” and insert “an affidavit from”

Page 2, line 34, after "certification" insert "during the 12 months ending as of the immediately previous June 30"

Page 2, line 36, after "director" insert "or medical advisor under section 144.804, and supporting rules"

Page 3, line 1, after "verified" insert "by August 1"

Page 3, line 2, delete "a certified statement by" and insert "an affidavit from"

Page 3, line 3, after the semicolon insert "and"

Page 3, line 7, after "substituted" insert "; for purposes of this section only,"

Page 3, line 14, delete "; and" and insert a period

Page 3, delete lines 15 and 16 and insert:

"(c) The term "active ambulance service employment or service provision status" means being in good standing with and on the active roster of the ambulance service making the certification.

(d) The maximum period of ambulance service employment or service provision for which a person may receive credit towards an award under this chapter, including prior service credit under section 7, subdivision 2, paragraph (c), is 20 years."

Page 3, line 20, delete "The"

Page 3, delete lines 21 to 24

Page 3, delete line 32, and insert "and the state board of investment"

Page 4, line 18, delete "finance" and insert "health"

Page 4, line 21, delete the comma and insert a period

Page 4, delete line 22

Page 4, line 25, delete "finance" and insert "health"

Page 5, line 1, delete "subject to the provisions of" and insert "; as provided in"

Page 5, lines 5 and 10, delete "finance" and insert "health"

Page 5, lines 20 and 28, after “reported” insert “on or before August 15”

Page 5, line 29, delete “finance” and insert “health”

Page 5, line 34, after the second “person” insert “is certified by the chief administrative officer of the ambulance service as having”

Page 5, line 36, delete “plus” and insert “. If the person has rendered prior active ambulance service, the person must be additionally credited with”

Page 6, line 2, after “exceed” insert “one additional year of service in any year or to exceed”

Page 6, line 3, after the period insert “Prior active ambulance service means employment by or the provision of service to a licensed ambulance service before June 30, 1992, as determined by the person’s current ambulance service based on records that were contemporaneous to the service as provided by the person. The prior ambulance service must be reported to the commissioner of health in an affidavit from the chief administrative officer of the ambulance service.”

Page 6, line 9, delete “250” and insert “400”

Page 6, after line 14, insert:

“(b) If a qualified ambulance service person who meets the age and service requirements specified in paragraph (a) dies before applying for a longevity award, the estate of the decedent is entitled, upon application, to the decedent’s ambulance service personnel longevity award, without reference to the limit on the number of annual awards.”

Page 6, line 15, delete “(b)” and insert “(c)”

Page 6, line 17, delete “preceding”

Page 6, delete line 18

Page 6, line 19, delete “between that September 1 and the preceding” and after “June 30” insert “preceding the application”

Page 6, line 20, after “payable” insert “only”

Page 6, line 21, delete “(c)” and insert “(d)”

Page 6, line 25, delete “September” and insert “October”



Page 7, line 11, delete "finance" and insert "health"

Page 7, line 16, after "personnel," insert "only"

Page 7, after line 19, insert:

"Sec. 10. [SCOPE OF ADMINISTRATIVE DUTIES.]

For purposes of administering the award and incentive program, the commissioner cannot hear appeals, direct ambulance services to take actions, investigate or take action on individual complaints, or otherwise act on information beyond that submitted by the licensed ambulance services.

Sec. 11. [APPROPRIATION; COMPLEMENT INCREASE.]

There is appropriated to the commissioner of health from the general fund, for the purposes of administering the ambulance service personnel longevity award and incentive program, \$..... for the fiscal year ending June 30, 1992, and \$..... for the fiscal year ending June 30, 1993.

The complement of the department of health is increased by .... positions for the fiscal year ending June 30, 1992, and by .... positions for the fiscal year ending June 30, 1993."

Page 7, line 20, delete "10" and insert "12"

Page 7, delete line 21 and insert "Sections 1 to 7, 9, and 10, are effective on July 1, 1992. Section 8 is effective on July 1, 1993. Section 11 is effective the day following final enactment."

Page 8, lines 6 to 14, reinstate the stricken language

Page 8, lines 26 to 33, delete the new language

Page 12, line 12, delete "1992" and insert "1993"

Amend the title as follows:

Page 1, line 2, delete "retirement" and insert "state government"

Page 1, line 5, after "surtax," insert "appropriating money;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 1977, A bill for an act relating to water; requiring criteria for water deficiency declarations; prohibiting the use of groundwater for lake level maintenance; requiring review of water appropriation permits; requiring contingency planning for water shortages; changing water appropriation permit requirements; requiring changes to the metropolitan area water supply plan; requiring reports to the legislature; appropriating money; amending Minnesota Statutes 1990, sections 103G.101, subdivision 1; 103G.261; 103G.271, by adding subdivisions; 103G.281, subdivisions 2 and 3; 103G.285, subdivision 1; 115.03, subdivision 1; 473.175, subdivision 1; 473.851; 473.858, by adding a subdivision; and 473.859, subdivisions 3, 4, and by adding a subdivision; Minnesota Statutes 1991 Supplement, section 473.156, subdivision 1; repealing Minnesota Statutes 1990, section 103G.285, subdivision 6.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Local Government and Metropolitan Affairs.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 1979, A bill for an act relating to retirement; public employees retirement association; authorizing a purchase of prior service credit for certain construction equipment operators in a city of the first class.

Reported the same back with the following amendments:

Page 3, line 33, after "DATE" insert "; LOCAL APPROVAL"

Page 3, delete line 34 and insert:

"Section 1 is effective on approval by the city council of the city of Minneapolis and compliance with Minnesota Statutes, section 645.021, subdivision 3."

Amend the title as follows:

Page 1, delete line 5 and insert "the city of Minneapolis."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 2002, A bill for an act relating to community service; directing the Minnesota office on volunteer services to prepare a federal grant proposal.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2044, A bill for an act relating to water; creating an exemption from certain requirements relating to once-through water use permits; amending Minnesota Statutes 1990, section 103G.271, subdivision 5.

Reported the same back with the following amendments:

Page 2, line 10, delete "and"

Page 2, line 12, delete the period and insert "; and

(4) by January 1, 2003, the permittee incurs costs of developing the nature preserve and associated facilities that, when discounted to 1992 dollars, exceed twice the projected cost, as determined by the commissioner, of the conversion required in paragraph (b), discounted to 1992 dollars.

The costs incurred under clause (4) may include preparation of plans and designs; site preparation; construction of wildlife habitat structures; planting of trees and other vegetation; installation of signs and markers; design and construction of trails, docks, and access structures; and design and construction of interpretative facilities. The permittee shall submit an estimate of the cost of the conversion

required in paragraph (b) to the commissioner by January 1, 1993, and shall annually report to the commissioner on the progress of the project and the level of expenditures.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 2066, A bill for an act relating to occupational health and safety; requiring a study of video display terminal operators health risks; appropriating money.

Reported the same back with the following amendments:

Page 1, delete lines 7 to 20, and insert:

“The commissioner of the department of labor and industry shall study and identify the occupational health problems associated with the operation of video display terminals. The commissioner shall review existing literature on the subject and may conduct additional research. The commissioner shall recommend solutions to any health problems that are identified, including carpal tunnel syndrome and wear or damage to the eyes of an operator.

The commissioner shall study the potential savings and benefits to employers in reduced workers' compensation claims and days lost off work due to providing ergonomically correct work stations, antiglare screens, and other features and programs, including amount of time in front of video display terminals, also education and training, designed to prevent injury or illness to video display terminal operators. The commissioner shall also study the effects of implementation of other state, county, and city laws, regulations, and ordinances regulating video display terminal operators and the ability of employers to comply with those laws, regulations, and ordinances.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 2096, A bill for an act relating to commerce; motor vehicle sale and distribution; regulating payments upon franchise termination, cancellation, or nonrenewal; amending Minnesota Statutes 1990, section 80E.09, subdivision 1.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 2142, A bill for an act relating to employment; leaves of absence; assigning duties to the division of labor standards; modifying provisions relating to school conference leave for employees with children; amending Minnesota Statutes 1990, sections 177.26, subdivision 2; and 181.9412; proposing coding for new law in Minnesota Statutes, chapter 181.

Reported the same back with the following amendments:

Page 1, line 18, delete everything after “shall” and insert “perform duties under sections 181.9435 and 181.9436”

Page 1, line 19, delete everything before the period

Page 1, line 24, delete “calendar” and strike “year” and insert “12-month period”

Page 2, line 2, after “2,” insert “or attends a prekindergarten regular or special education program,”

Page 2, line 5, after “services” insert “or program”

Page 2, line 18, delete “the parental leave law” and insert “sections 181.940 to 181.9436”

Page 2, line 20, delete “181.943” and insert “181.9436”

Page 2, line 31, delete “the”

Page 2, line 32, delete “parental leave law” and insert “sections 181.940 to 181.9436” and delete “parental”

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2174, A bill for an act relating to once-through cooling systems; providing grants for retrofitting and conversion; amending Minnesota Statutes 1990, section 103G.271, by adding a subdivision; Minnesota Statutes 1991 Supplement, section 103G.271, subdivision 6.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2229, A bill for an act relating to the environment; establishing an environmental cleanup program for landfills; authorizing the public facilities authority to make loans to counties for landfill closure; establishing a registration and registration fee system for priority toxic materials in consumer products and packaging to fund the landfill cleanup program; providing penalties; appropriating money; proposing coding for new law in Minnesota Statutes, chapters 115A; 115B; and 446A.

Reported the same back with the following amendments:

Page 14, after line 28, insert:

“A substance, listed on the priority toxics list in subdivision 1 or under this subdivision or subdivision 3, must be removed from the list if the United States Environmental Protection Agency or federal law removes the substance from the federal list of hazardous substances for the purposes of the Federal Superfund Act, as defined in section 115B.02, subdivision 6.”

Page 17, line 6, after “\$150” insert “, for a manufacturer or importer other than a retailer that is a small business,”

Page 17, line 7, after “product” insert “line”

Page 17, line 9, after “product” insert “line”

Page 17, line 10, after the period insert "A retailer that is a small business or any other small business that registers a product line sold by that retailer or small business may choose to pay:

(1) \$10 for any amount of each priority toxic contained in a product line sold by the retailer or small business during the calendar year; plus 50 cents per pound of each priority toxic contained in the product line up to 100 pounds and 75 cents per pound for 100 pounds or more; or

(2) \$25 for any amount of a priority toxic contained in a product line sold by the retailer or small business during the calendar year." and before "The" insert paragraph coding

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2259, A bill for an act relating to retirement; setting an earlier accrual date for a certain retired member of the state retirement system.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2335, A bill for an act relating to state government; department of administration; changing the government data classification of requests for proposals; modifying the encumbrance process for agency construction projects; modifying authority for building maintenance and leasing; changing requirements for certain agency purchases; amending administration of STARS; changing the date for the department of administration to report recycling goals; providing that the department may retain money from successful litigation; amending auditing requirements for noncommercial radio stations; extending the date for relocating the state printing operation; making various technical changes; amending Minnesota Statutes 1990, sections 13.37, subdivision 2; 16A.15, subdivision 3; 16B.09, by adding a subdivision; 16B.121; 16B.24, subdivisions 1, 5, and 6; 16B.31, by adding a subdivision; 16B.33,

subdivision 3; 16B.40, subdivision 8; 16B.465, subdivisions 2, 3, and 6; 16B.58, subdivision 5; 129D.14, subdivisions 3, 4, and 6; Minnesota Statutes 1991 Supplement, sections 16B.19, subdivision 2b; 103B.311, subdivision 7; 115A.15, subdivision 9; and 138.94, subdivision 1; and Laws 1991, chapter 345, article 1, section 17, subdivision 4.

Reported the same back with the following amendments:

Page 3, line 19, delete everything after the period and insert "The total percentage of preference granted on a contract may not exceed the highest percentage of preference allowed for that contract under any one of these statutory sections."

Page 3, delete line 20

Page 8, line 13, before the period insert "involving capital improvements to state buildings"

Page 16, after line 46, insert:

"Sec. 24. [EFFECTIVE DATE.]

Section 14 is effective July 1, 1992. Sections 1 to 13 and 15 to 23 are effective the day following final enactment."

With the recommendation that when so amended the bill pass.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

S. F. No. 1623, A bill for an act relating to alcoholic beverages; authorizing the issuance of an on-sale intoxicating liquor license.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [BROOKLYN PARK; ON-SALE INTOXICATING LIQUOR LICENSE.]

The city of Brooklyn Park may issue to the Brooklyn Park economic development authority, and the Brooklyn Park economic development authority may hold, an on-sale intoxicating liquor



license for the Edinburgh, U.S.A. golf course grounds, clubhouse, and restaurant located in the city of Brooklyn Park. A license issued under this section is in addition to all other licenses authorized under Minnesota Statutes, section 340A.413. The city shall set the license fee. The provisions of Minnesota Statutes, chapter 340A, not inconsistent with this section, apply to the license issued under this section. The provisions of Minnesota Statutes, sections 340A.603 to 340A.604, apply to the establishment licensed under this section as if the establishment were a municipal liquor store; provided that the commissioner of public safety may not impose any penalty on the establishment under those sections if the city has imposed a comparable or greater penalty on the licensee for the same offense.

Sec. 2. [LIABILITY.]

The city of Brooklyn Park is the licensee under section 1 for purposes of compliance with Minnesota Statutes, section 340A.409. The city of Brooklyn Park is deemed the seller of alcoholic beverages under the license authorized by section 1 for purposes of Minnesota Statutes, sections 340A.801 to 340A.802.

Sec. 3. [EFFECTIVE DATE.]

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

Delete the title and insert:

"A bill for an act relating to intoxicating liquor; authorizing the city of Brooklyn Park to issue an on-sale license to the city's economic development authority for a restaurant at the Edinburgh, U.S.A. golf course; specifying that the city is the licensee for purposes of civil liability and insurance."

With the recommendation that when so amended the bill pass.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 123, 917, 1488, 1489, 1827, 1873, 1979, 2002, 2044, 2096, 2142, 2259 and 2335 were read for the second time.

## SECOND READING OF SENATE BILLS

S. F. Nos. 1666 and 1623 were read for the second time.

**INTRODUCTION AND FIRST READING  
OF HOUSE BILLS**

The following House Files were introduced:

Jacobs, Lasley and Pelowski introduced:

H. F. No. 2419, A bill for an act relating to municipal utilities; providing for the assessment of certain costs; proposing coding for new law in Minnesota Statutes, chapter 414.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Simoneau introduced:

H. F. No. 2420, A bill for an act relating to human services; providing for pilot projects to demonstrate the use of intergovernmental contracts between state and counties to fund, administer, and regulate delivery of community social service programs; appropriating money.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Munger, Marsh, Bauerly, Kalis and Dille introduced:

H. F. No. 2421, A bill for an act relating to wetlands; making technical and other minor changes to the wetland conservation act of 1991; appropriating money; amending Minnesota Statutes 1991 Supplement, sections 84.036; 103F.612, subdivision 2; 103F.616; 103F.901, subdivisions 5 and 8; 103F.902; 103F.903, subdivisions 1 and 4; 103F.904; 103G.005, subdivisions 10a and 19; 103G.222; 103G.2241, subdivision 1; 103G.2242, subdivisions 6 and 7; 103G.2369, subdivisions 2 and 3; 103G.237, subdivision 4, and by adding a subdivision; and 275.295.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Sparby, Sviggum and Lieder introduced:

H. F. No. 2422, A bill for an act relating to human services; requiring the commissioner to recalculate hospital payment rates using 1991 as the base year.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Johnson, R.; O'Connor; Reding; Knickerbocker and Simoneau introduced:

H. F. No. 2423, A bill for an act relating to state government; creating a state board of pension investment; prescribing its powers and duties; transferring authority from the state board of investment; appropriating money; amending Minnesota Statutes 1990, sections 10A.01, subdivision 18; 11A.01; 11A.02, subdivisions 2 and 4; 11A.04; 11A.08, subdivisions 1 and 2; 11A.09; 11A.13, subdivision 1; 11A.14, subdivisions 5 and 13; 79.251, subdivision 7; 352.05; 353.05; 356.218, subdivision 1; 356A.01, subdivision 23; 356A.02, subdivision 1; 356A.11, subdivision 1; 422A.06, subdivision 8; and 490.123, subdivision 2; proposing coding for new law as Minnesota Statutes, chapter 11B; repealing Minnesota Statutes 1990, section 11A.14, subdivisions 6, 7, and 8.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Solberg introduced:

H. F. No. 2424, A bill for an act relating to horse racing; regulating the breeders' fund; permitting distributions to other breeds; amending Minnesota Statutes 1991 Supplement, section 240.18, by adding a subdivision.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Pugh, Ozment, Milbert, Tompkins and Macklin introduced:

H. F. No. 2425, A bill for an act relating to Dakota county; appropriating money for planning activities for the potential relocation of the international airport.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Pugh, Ozment, Milbert, Tompkins and Macklin introduced:

H. F. No. 2426, A bill for an act relating to Dakota county; providing financing for planning activities for the international airport or other transportation; authorizing a regional railroad authority to transfer light rail money.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Krueger, Kalis, Brown, Dauner and Pellow introduced:

H. F. No. 2427, A bill for an act relating to education; requiring biennial certification in safety training for school bus drivers; amending Minnesota Statutes 1991 Supplement, section 169.446, subdivision 3.

The bill was read for the first time and referred to the Committee on Education.

Peterson, Segal, Winter and Bodahl introduced:

H. F. No. 2428, A bill for an act relating to regional development commissions; requiring regional development commissions to establish permit and license information centers; amending Minnesota Statutes 1990, sections 116C.34, subdivisions 1 and 3; and 462.391, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Economic Development.

Trimble and Janezich introduced:

H. F. No. 2429, A bill for an act relating to taxation; income; providing an exclusion for unemployment compensation; amending Minnesota Statutes 1990, section 290.01, subdivision 19b.

The bill was read for the first time and referred to the Committee on Taxes.

Jaros, Rukavina and Munger introduced:

H. F. No. 2430, A bill for an act relating to education; requesting the University of Minnesota to establish a policy center for American Indian law and social justice on its Duluth campus; proposing coding for new law in Minnesota Statutes, chapter 137.

The bill was read for the first time and referred to the Committee on Education.

Jacobs introduced:

H. F. No. 2431, A bill for an act relating to utilities; determining

when reconciliation of actual assessments to public utilities and telephone companies must be completed; amending Minnesota Statutes 1990, sections 216B.62, subdivision 3; and 237.295, subdivision 2.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Krueger, Simoneau and Segal introduced:

H. F. No. 2432, A bill for an act relating to economic development; providing for the return of money under certain grant programs to be credited to the agricultural and economic development account; amending Minnesota Statutes 1990, section 116J.873, subdivision 4; Laws 1987, chapter 386, article 9, section 19, as amended.

The bill was read for the first time and referred to the Committee on Economic Development.

O'Connor introduced:

H. F. No. 2433, A bill for an act relating to lawful gambling; specifying that certain expenditures for programs for persons age 62 or older are lawful purposes; amending Minnesota Statutes 1991 Supplement, section 349.12, subdivision 25.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Rest introduced:

H. F. No. 2434, A bill for an act relating to sales tax; expanding the exemption for isolated and occasional sales; amending Minnesota Statutes 1991 Supplement, section 297A.25, subdivision 12, as amended.

The bill was read for the first time and referred to the Committee on Taxes.

Wejzman, Reding, Simoneau and Knickerbocker introduced:

H. F. No. 2435, A bill for an act relating to the department of employee relations; public employment; removing a committee's expiration date; modifying retirement program options; expanding a bidding requirement exemption; amending Minnesota Statutes 1990, section 43A.316, subdivisions 4, 6, and 10; Minnesota Statutes

1991 Supplement, section 43A.316, subdivision 8; repealing Laws 1990, chapter 589, article 2, section 3.

The bill was read for the first time and referred to the Committee on Governmental Operations.

McGuire, Vellenga, Seaberg and Hasskamp introduced:

H. F. No. 2436, A bill for an act relating to domestic abuse; requiring judicial training on domestic abuse; requiring consideration of domestic abuse against children in custody proceedings; limiting the issuance of mutual restraining orders; requiring court administrators to forward orders for protection when applicants change residences; providing for statewide enforcement of orders for protection; requiring all prosecuting authorities to prepare prosecution plans; providing for the establishment of advocacy programs in each judicial district; requiring presentence investigations; requiring certain arrests and providing for law enforcement policies and procedures; requiring consideration of the primary aggressor in making arrests; appropriating money; amending Minnesota Statutes 1990, sections 518.17, subdivision 1; 518B.01, subdivision 13, and by adding a subdivision; 609.115, subdivision 1; and 611A.0311, subdivisions 2 and 3; Minnesota Statutes 1991 Supplement, sections 518B.01, subdivision 6; and 611A.32, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 480 and 629.

The bill was read for the first time and referred to the Committee on Judiciary.

McGuire, Johnson, V., and Swenson introduced:

H. F. No. 2437, A bill for an act relating to the environment; pollution control; conforming certain pollution control measures to federal Clean Air Act amendments; authorizing assessment of emission fees; changing method used for calculating emission fees; changing the definition of chlorofluorocarbons; establishing a small business air quality compliance assistance program; providing for the appointment of an ombudsman for small business air quality compliance assistance; creating a small business air quality compliance advisory council; amending Minnesota Statutes 1990, section 116.70, subdivision 3; Minnesota Statutes 1991 Supplement, section 116.07, subdivision 4d; proposing coding for new law in Minnesota Statutes, chapter 116.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Reding; Johnson, R.; Dauner; Bertram and Johnson, V., introduced:

H. F. No. 2438, A bill for an act relating to retirement; individual retirement account plan; expanding plan coverage to include certain higher education employees; amending Minnesota Statutes 1990, sections 136.88, subdivision 1; 352D.02, subdivisions 1 and 1a; 352D.03; 354B.01, subdivision 2, and by adding subdivisions; 354B.015; 354B.02, subdivisions 1, 4, and by adding subdivisions; 354B.03, by adding a subdivision; 354B.04, subdivision 1; and 354B.05, subdivision 1; Minnesota Statutes 1991 Supplement, section 354B.04, subdivision 2; repealing Laws 1986, chapter 458, section 36.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Nelson, S.; Janezich; Murphy; Johnson, V., and Dauner introduced:

H. F. No. 2439, A bill for an act relating to taxation; property; changing certain published notice and the hearing date requirements on proposed property taxes; amending Minnesota Statutes 1991 Supplement, section 275.065, subdivisions 5a and 6.

The bill was read for the first time and referred to the Committee on Taxes.

Ogren, Munger, Long, Jacobs and Dempsey introduced:

H. F. No. 2440, A bill for an act relating to taxation; providing a reduced class rate for recycling facilities; exempting the sales of construction materials used in recycling facilities; amending Minnesota Statutes 1990, sections 297A.15, subdivision 5; and 297A.25, by adding a subdivision; Minnesota Statutes 1991 Supplement, section 273.13, subdivision 23.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Garcia, Wagenius, Segal, Dawkins and Sarna introduced:

H. F. No. 2441, A bill for an act relating to education; establishing a metropolitan regional library depository facility at the University of Minnesota; authorizing bonds; appropriating money.

The bill was read for the first time and referred to the Committee on Education.

Olson, E., introduced:

H. F. No. 2442, A bill for an act relating to game and fish; making the commissioner of natural resources responsible for removing deer killed by motor vehicles on public roads; amending Minnesota Statutes 1990, section 97A.502.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Garcia, Orenstein and Carlson introduced:

H. F. No. 2443, A bill for an act relating to education; increasing student membership on the higher education board; amending Minnesota Statutes 1991 Supplement, section 136E.01, subdivisions 1 and 2; and Laws 1991, chapter 356, article 9, section 8, subdivision 1.

The bill was read for the first time and referred to the Committee on Education.

Battaglia, Simoneau, Rukavina, Boo and Jaros introduced:

H. F. No. 2444, A bill for an act relating to the Lake Superior Center Authority; authorizing the issuance of state bonds for design, engineering, and construction of facilities for the authority; appropriating money.

The bill was read for the first time and referred to the Committee on Appropriations.

Sarna; Anderson, I.; Brown; Osthoff and Bishop introduced:

H. F. No. 2445, A bill for an act relating to employment; providing that certain conduct by employers against employees for engaging in lawful activities during nonworking hours is an unfair labor practice; amending Minnesota Statutes 1991 Supplement, sections 179.12; and 179A.13, subdivision 2.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Simoneau, Pellow and Johnson, A., introduced:

H. F. No. 2446, A bill for an act relating to certain cities; authorizing the cities of Fridley, Mounds View, New Brighton, and Spring Lake Park to participate in the establishment and operation



of senior citizen centers and related facilities; authorizing the issuance of bonds; authorizing tax levies.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Morrison; Kelso; Hasskamp; Olson, K., and Murphy introduced:

H. F. No. 2447, A bill for an act relating to health; requiring a program to promote the long-term development of children and to prevent abuse; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 145.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Weaver, Smith, McGuire, Kelso and Lynch introduced:

H. F. No. 2448, A bill for an act relating to the state lottery; abolishing the authority of the state lottery board to authorize additional compensation for the director of the state lottery; repealing Minnesota Statutes 1990, section 349A.03, subdivision 3.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Ozment introduced:

H. F. No. 2449, A bill for an act relating to education; authorizing a fund transfer for independent school district No. 195, Randolph.

The bill was read for the first time and referred to the Committee on Education.

Pugh, Vellenga, Mariani and Trimble introduced:

H. F. No. 2450, A bill for an act relating to public safety; requiring small firearms dealers to maintain pistols in a locked safe after business hours; requiring the commissioner of public safety to establish minimum requirements regarding other security requirements for firearms dealers; proposing coding for new law in Minnesota Statutes, chapter 624.

The bill was read for the first time and referred to the Committee on Commerce.

Bodahl, Rest, Frerichs, Orenstein and Long introduced:

H. F. No. 2451, A bill for an act relating to the state budget; requiring the commissioner of finance to prepare performance budgets; prescribing their contents; requiring the commissioner of administration to prepare a functional analysis of state government; amending Minnesota Statutes 1990, section 16A.095, by adding subdivisions; repealing Minnesota Statutes 1990, section 16A.095, subdivision 3.

The bill was read for the first time and referred to the Committee on Ways and Means.

Olson, E.; Lieder and Tunheim introduced:

H. F. No. 2452, A bill for an act relating to the Wild Rice Watershed District; setting the size of its administrative fund and levy.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Segal introduced:

H. F. No. 2453, A bill for an act relating to employment; regulating employee invention agreements; amending Minnesota Statutes 1990, section 181.78, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Kinkel, Sarna and Skoglund introduced:

H. F. No. 2454, A bill for an act relating to liquor; providing a procedure for determining liquor liability insurance rates; amending Minnesota Statutes 1990, section 340A.409, subdivision 1.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Segal introduced:

H. F. No. 2455, A bill for an act relating to the emergency jobs program; modifying program conditions; amending Minnesota Statutes 1990, sections 268.676, subdivision 1; 268.77, subdivision 1; and 268.681, subdivisions 1 and 2.

The bill was read for the first time and referred to the Committee on Economic Development.

Jaros and Dawkins introduced:

H. F. No. 2456, A bill for an act relating to taxation; providing a tax credit for loan of private industry employees to state departments and agencies and political subdivisions of the state; appropriating money; amending Minnesota Statutes 1990, section 15.59; proposing coding for new law in Minnesota Statutes, chapter 290.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Kahn, Welker, Greenfield, Orenstein and Wagenius introduced:

H. F. No. 2457, A bill for an act relating to governmental debt; limiting the purposes for which governmental units may issue general obligations; proposing coding for new law in Minnesota Statutes, chapter 16A.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Weaver and Pugh introduced:

H. F. No. 2458, A bill for an act relating to medical records; modifying provisions concerning patient consent to release of records; amending Minnesota Statutes 1991 Supplement, section 144.335, subdivisions 1 and 3a.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Schafer introduced:

H. F. No. 2459, A bill for an act relating to liquor; making it unlawful for a person under the age of 21 years to consume alcoholic beverages in the parent's or guardian's household and leave the household unaccompanied by a parent or guardian; amending Minnesota Statutes 1991 Supplement, section 340A.503, subdivision 1.

The bill was read for the first time and referred to the Committee on Judiciary.

Nelson, K.; Vanasek and Weaver introduced:

H. F. No. 2460, A bill for an act relating to education; restoring the school board option for a pre-Labor day start to the school year; repealing Minnesota Statutes 1991 Supplement, section 126.12, subdivision 1.

The bill was read for the first time and referred to the Committee on Education.

Ostrom, Dorn, Pelowski, Winter and Kelso introduced:

H. F. No. 2461, A bill for an act relating to workers' compensation; regulating benefits, providers, dispute resolution, and insurance; imposing penalties; appropriating money; amending Minnesota Statutes 1990, sections 15A.083, subdivision 7; 79.095; 79.251, subdivision 4; 79.252, subdivisions 1 and 3; 79.61, subdivision 1; 175.007; 176.011, subdivisions 3, 11a, 18, 27, and by adding a subdivision; 176.021, subdivision 3; 176.041, subdivision 1a; 176.061, subdivision 10, and by adding a subdivision; 176.081, subdivisions 1, 2, and 3; 176.101, subdivisions 1, 2, 4, 5, 6, 8, and by adding subdivisions; 176.102, subdivisions 1, 1a, 2, 3, 3a, 4, 6, 7, 9, and 11; 176.103, subdivision 3; 176.105, subdivisions 1 and 4; 176.111, subdivisions 6, 7, 8, 12, 14, 15, 18, 20, and 21; 176.129, subdivision 10; 176.130, subdivisions 8 and 9; 176.131, subdivisions 1, 1a, 2, 8, and by adding a subdivision; 176.132, subdivisions 1, 2, and 3; 176.135, subdivisions 1, 1a, 5, 6, and 7; 176.136, subdivisions 1, 2, and by adding subdivisions; 176.138; 176.139, subdivision 2; 176.155, subdivision 1; 176.179; 176.181, subdivisions 3 and 7; 176.182; 176.183, subdivision 1; 176.185, subdivision 5a; 176.191, subdivisions 1, 2, 3, and 4; 176.194, subdivisions 4 and 5; 176.215, by adding a subdivision; 176.221, subdivisions 3, 3a, 6a, and 7; 176.231, subdivision 10; 176.305, subdivision 1; 176.351, subdivision 2a; 176.421, subdivisions 1, 6, and 7; 176.442; 176.461; 176.645, subdivisions 1 and 2; 176.66, subdivision 11; 176.83, subdivisions 5, 6, and by adding a subdivision; 176.84, subdivision 2; 176A.03, by adding a subdivision; 182.666, subdivision 7; 268.08, subdivision 3; 353.33, subdivision 5; and 480B.01, subdivisions 1 and 10; proposing coding for new law in Minnesota Statutes, chapter 176; repealing Minnesota Statutes 1990, sections 176.011, subdivision 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; 176.106; 176.111, subdivision 8a; 176.135, subdivision 3; and 176.136, subdivision 5.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Simoneau, Ogren, Greenfield, Skoglund and Leppik introduced:

H. F. No. 2462, A bill for an act relating to health care; establishing a premium assistance program; requiring health care coverage; authorizing a small employer health benefit plan; restricting underwriting and premium rating practices; establishing a small employer reinsurance association; establishing minimum standards for individual health insurance policies; requiring the commissioner of health to establish a health care analysis unit, a rural health advisory committee, a technology assessment committee, an administrative efficiencies task force, a data commission, a tort reform committee, and a cost containment advisory committee; providing for rural health initiatives; establishing an office of rural health; providing a state income tax deduction for certain health insurance costs; imposing penalties; appropriating money; amending Minnesota Statutes 1990, sections 62E.04, subdivision 1; 62E.14, by adding subdivisions; 136A.1355, subdivisions 2 and 3; 144.147, subdivisions 1, 3, and 4; and 290.01, subdivision 19b; Minnesota Statutes 1991 Supplement, section 62A.31, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 62A; 136A; and 144; proposing coding for new law as Minnesota Statutes, chapters 62K; and 62L.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Trimble introduced:

H. F. No. 2463, A bill for an act relating to courts; providing for the distribution of certain court revenue in Ramsey county; amending Minnesota Statutes 1990, section 488A.20, subdivision 4.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Carlson introduced:

H. F. No. 2464, A bill for an act relating to game and fish; appropriating money for the stocking of Atlantic salmon in inland lakes.

The bill was read for the first time and referred to the Committee on Appropriations.

Frederick and Beard introduced:

H. F. No. 2465, A bill for an act relating to veterans; clarifying procedures for searches of veterans' home residents' rooms or prop-

erty; amending Minnesota Statutes 1990, section 198.33, subdivision 1.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Trimble introduced:

H. F. No. 2466, A bill for an act relating to economic development; public facility authority; authorizing the authority to charge fees for administrative costs; amending Minnesota Statutes 1990, sections 446A.04, subdivision 5; and 446A.07, subdivision 8.

The bill was read for the first time and referred to the Committee on Economic Development.

Welker; Anderson, R. H.; Koppendrayner; McPherson and Waltman introduced:

H. F. No. 2467, A bill for an act proposing an amendment to the Minnesota Constitution to provide for a unicameral legislature; changing article IV; article V, sections 3 and 5; article VIII, section 1; article IX, sections 1 and 2; and article XI, section 5; providing by law for a unicameral legislature of 135 members; amending Minnesota Statutes 1990, sections 2.021; and 2.031, subdivision 1.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Hasskamp introduced:

H. F. No. 2468, A bill for an act relating to state lands; requiring a private conveyance of certain state land bordering public water.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Solberg introduced:

H. F. No. 2469, A bill for an act relating to state lands; defining "substantially equal value" for purposes of state land exchanges; amending Minnesota Statutes 1990, section 94.344, subdivision 3.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Runbeck; Bettermann; Koppendraye; Anderson, R. H., and Olsen, S., introduced:

H. F. No. 2470, A bill for an act proposing an amendment to the Minnesota Constitution, article IV, section 4, and article V, sections 2 and 4; placing limits on the terms of office of legislators and executive officers.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Pellow; Olsen, S.; Hanson and Kelso introduced:

H. F. No. 2471, A bill for an act relating to manufactured homes; enacting the manufactured home owners bill of rights; providing penalties; amending Minnesota Statutes 1990, sections 327.16, subdivision 3; 327C.01, subdivision 1, and by adding a subdivision; 327C.02, subdivision 1, and by adding subdivisions; 327C.04, subdivision 3; 327C.05, subdivisions 1, 2, and by adding subdivisions; and 327C.07, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 327C; repealing Minnesota Statutes 1990, sections 327C.02, subdivisions 2a, 3, 4, and 5; 327C.03; 327C.06; 327C.07, subdivisions 1, 2, 3, 4, 5, 6, 7, and 8; 327C.08; 327C.09; 327C.10; 327C.11; 327C.12; 327C.13; 327C.14; and 327C.15; and Minnesota Statutes 1991 Supplement, section 327C.06.

The bill was read for the first time and referred to the Committee on Housing.

Wejcman, Skoglund, Trimble and Vellenga introduced:

H. F. No. 2472, A bill for an act relating to human services; providing for notice to vendors when payments on behalf of a recipient will be reduced or terminated; limiting the liability of the state and county for damages claimed by vendors due to failure of a recipient to pay for rent, goods, or services; amending Minnesota Statutes 1990, section 256.81.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Wejcman, Hausman and Clark introduced:

H. F. No. 2473, A bill for an act relating to human services; requiring medical care providers who treat patients under state medical programs to disclose information about success rates and

outcomes for a recommended procedure; amending Minnesota Statutes 1990, section 256.9655.

The bill was read for the first time and referred to the Committee on Health and Human Services.

O'Connor; Reding; Johnson, R.; Long and Jefferson introduced:

H. F. No. 2474, A bill for an act relating to retirement; St. Paul teachers; making various changes in administrative provisions of laws governing the St. Paul teachers retirement fund association; amending Minnesota Statutes 1990, sections 354A.011, subdivisions 4, 8, 11, 12, 13, 14, 15, 21, 24, and 27; 354A.021, subdivision 6; 354A.05; 354A.08; 354A.096; 354A.36, subdivision 3; 354A.38, subdivision 3; and 354A.39; Minnesota Statutes 1991 Supplement, section 354A.011, subdivision 26; repealing Minnesota Statutes 1990, sections 354A.011, subdivision 2; and 354A.40, subdivisions 2 and 3.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Jennings, Kalis and Schreiber introduced:

H. F. No. 2475, A bill for an act relating to landlords and tenants; changing the interest rate required on a rental deposit; amending Minnesota Statutes 1990, section 504.20, subdivision 2.

The bill was read for the first time and referred to the Committee on Housing.

Reding, Sviggum, Garcia and Haukoos introduced:

H. F. No. 2476, A bill for an act relating to retirement; teacher retirement plans; state deferred compensation program; recodifying state deferred compensation program; providing state deferred compensation program coverage for extracurricular teaching activity compensation; amending Minnesota Statutes 1990, sections 352.031, subdivision 2; 353D.12, subdivision 4; 354.05, by adding subdivisions; 354.07, by adding a subdivision; 354.42, subdivisions 2, 3, 5, and by adding a subdivision; 354.44, subdivision 6; 354A.011, by adding subdivisions; 354A.021, by adding a subdivision; 354A.12, subdivisions 1, 2, and by adding a subdivision; 354A.31, subdivision 4; 356.24; and 518.54, subdivision 11; Minnesota Statutes 1991 Supplement, sections 354.46, subdivision 1; and 354A.12, subdivision 1a; proposing coding for new law in Minnesota Statutes, chapter 352E; repealing Minnesota Statutes 1990, sections 352.96; and 352.97.



The bill was read for the first time and referred to the Committee on Governmental Operations.

Uphus introduced:

H. F. No. 2477, A bill for an act relating to state government; denying indemnification in certain claims against certain officers; amending Minnesota Statutes 1990, section 3.736, subdivision 9.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Olsen, S.; Newinski; Weaver; Pauly and Henry introduced:

H. F. No. 2478, A bill for an act relating to the legislature; regulating its budgets and accounts; proposing coding for new law in Minnesota Statutes, chapter 3.

The bill was read for the first time and referred to the Committee on Ways and Means.

Jacobs, Milbert, Henry, Vanasek and Blatz introduced:

H. F. No. 2479, A bill for an act relating to taxation; sales and use; repealing the tax on motor vehicle rentals; repealing Minnesota Statutes 1991 Supplement, section 297A.135.

The bill was read for the first time and referred to the Committee on Taxes.

Koppendrayner, Omann, Uphus and Bauerly introduced:

H. F. No. 2480, A bill for an act relating to agriculture; establishing a dairy expansion and stabilization loan guarantee program; amending Minnesota Statutes 1990, section 41B.03, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 41B.

The bill was read for the first time and referred to the Committee on Agriculture.

Olson, K.; Clark; Johnson, A.; Jefferson and Winter introduced:

H. F. No. 2481, A bill for an act relating to education; requiring a study of health needs of students; appropriating money.

The bill was read for the first time and referred to the Committee on Education.

Olson, K.; Winter; Hugoson; Kalis and Olson, E., introduced:

H. F. No. 2482, A bill for an act relating to economic development; authorizing the commissioner of trade and economic development to certify designated cities; providing tax credits for job creation; providing an exemption from sales tax for certain equipment and materials; authorizing the establishment of business opportunity districts; requiring regional development commissions to establish permit information centers; amending Minnesota Statutes 1990, section 116C.34, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 116C; proposing coding for new law as Minnesota Statutes, chapter 116S.

The bill was read for the first time and referred to the Committee on Economic Development.

Anderson, I.; Janezich and Johnson, R., introduced:

H. F. No. 2483, A bill for an act relating to natural resources; extending the term of certain timber permits.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Dille, Winter, Cooper, McPherson and Wenzel introduced:

H. F. No. 2484, A bill for an act relating to farm safety; providing flexibility in spending an appropriation; amending Laws 1991, chapter 254, article 1, section 7, subdivision 5.

The bill was read for the first time and referred to the Committee on Appropriations.

Farrell, Trimble, Carruthers, Macklin and Osthoff introduced:

H. F. No. 2485, A bill for an act relating to crimes; enhancing penalties for certain repeat harassment offenses; requiring consideration of fact that victim is a stranger as aggravating factor under the sentencing guidelines; amending Minnesota Statutes 1990, section 609.746, subdivision 2.

The bill was read for the first time and referred to the Committee on Judiciary.

Winter, Peterson, Steensma and Nelson, S., introduced:

H. F. No. 2486, A bill for an act relating to wetlands; leasing of portions of acquired property; amending Minnesota Statutes 1990, section 97A.145, subdivision 1.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Winter introduced:

H. F. No. 2487, A bill for an act relating to public employment; requiring that employees of the state be Minnesota residents; amending Minnesota Statutes 1990, section 43A.13, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Wenzel, Pugh, Tompkins, Omann and Milbert introduced:

H. F. No. 2488, A bill for an act relating to crimes; providing that certain health care providers who administer medications to relieve another person's pain do not violate the law making it a crime to aid or attempt aiding suicide; authorizing certain licensure disciplinary options against physicians, physician assistants, nurses, dentists, and pharmacists who are convicted of aiding or attempting to aid suicide; amending Minnesota Statutes 1990, sections 147.091, subdivision 1; 148.261, subdivision 1; 150A.08, subdivision 1; 151.06, subdivision 1; and 609.215, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 147.

The bill was read for the first time and referred to the Committee on Judiciary.

Dille, Koppendrayner, Cooper, Omann and Wenzel introduced:

H. F. No. 2489, A bill for an act relating to agriculture; providing for a waiver from certain rules relating to water well placement; authorizing recertification of certain dairy farms for "grade A" production; providing for water testing guidelines; amending Minnesota Statutes 1990, section 32.394, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 103I.

The bill was read for the first time and referred to the Committee on Agriculture.

Mariani introduced:

H. F. No. 2490, A bill for an act relating to employment; regulating employee invention agreements; amending Minnesota Statutes 1990, section 181.78, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Schafer introduced:

H. F. No. 2491, A bill for an act relating to education; requiring the graduation rule to be authorized by law.

The bill was read for the first time and referred to the Committee on Education.

Olson, K., and Hugoson introduced:

H. F. No. 2492, A bill for an act relating to education; authorizing election districts for a newly created school district in Martin county.

The bill was read for the first time and referred to the Committee on Education.

Hausman and Nelson, K., introduced:

H. F. No. 2493, A bill for an act relating to education; expanding transportation aid entitlement; making a levy adjustment; amending Minnesota Statutes 1991 Supplement, section 124.225, subdivision 1.

The bill was read for the first time and referred to the Committee on Education.

Winter introduced:

H. F. No. 2494, A bill for an act relating to crimes; creating the felony offense of assaulting a protective agent or security guard who is engaged in performing occupational duties; amending Minnesota Statutes 1990, section 609.2231, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Judiciary.

Clark, Vellenga and McGuire introduced:

H. F. No. 2495, A bill for an act relating to crimes; restricting the use of electronic monitoring devices to protect the safety of victims of domestic abuse; requiring the commissioner of corrections to establish standards for devices and for monitoring agencies; limiting the use of electronic monitoring devices for persons convicted of violent crimes; appropriating money; amending Minnesota Statutes 1990, sections 609.02, by adding a subdivision; 609.135, subdivision 1, and by adding a subdivision; and 629.72, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 611A and 629.

The bill was read for the first time and referred to the Committee on Judiciary.

Peterson introduced:

H. F. No. 2496, A bill for an act relating to education; conditioning 1993 appropriations to the University of Minnesota on restoration of proposed budget cuts to the Minnesota extension service.

The bill was read for the first time and referred to the Committee on Appropriations.

Wejcman, Schreiber, Clark and Dauner introduced:

H. F. No. 2497, A bill for an act relating to housing; increasing the debt ceiling of the Minnesota housing finance agency; amending Minnesota Statutes 1990, section 462A.22, subdivision 1.

The bill was read for the first time and referred to the Committee on Housing.

Brown and Vellenga introduced:

H. F. No. 2498, A bill for an act relating to sexual abuse; clarifying application of amendments relating to extension of the statute of limitations; amending Laws 1991, chapter 232, section 5.

The bill was read for the first time and referred to the Committee on Judiciary.

Greenfield, Orenstein, Gruenes, Jefferson and Lourey introduced:

H. F. No. 2499, A bill for an act relating to human services; providing for medical assistance coverage of personal care services

provided outside the home when authorized by the responsible party; allowing recipients to request continuation of services at a previously authorized level while an appeal is pending; amending Minnesota Statutes 1991 Supplement, sections 256B.0625, subdivision 19a; and 256B.0627, subdivisions 5 and 6.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Welker, Hugoson, Schafer and Sviggum introduced:

H. F. No. 2500, A bill for an act relating to human services; requiring the commissioner of human services to set uniform payment rates for alternative care services; amending Minnesota Statutes 1991 Supplement, section 256B.0913, subdivision 14.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Bodahl, Davids, Mariani, McGuire and Clark introduced:

H. F. No. 2501, A bill for an act relating to housing; modifying provisions of rehabilitation loans, lease-purchase housing, and urban and rural homesteading; limiting use of emergency rules; modifying limitations on the use of bond proceeds; modifying provisions of publicly-owned transitional housing program; modifying provisions for neighborhood land trusts; amending Minnesota Statutes 1990, sections 462A.05, subdivision 14a; 462A.06, subdivision 11; and 462A.202, subdivision 2; Minnesota Statutes 1991 Supplement, sections 462A.05, subdivision 36; 462A.073, subdivision 2; and 462A.30, subdivisions 6 and 9; repealing Minnesota Statutes 1990, section 462A.057, subdivisions 2, 3, 4, 5, 6, 7, 8, 9, and 10; and Laws 1991, chapter 292, article 9, section 35.

The bill was read for the first time and referred to the Committee on Housing.

Hasskamp, Wenzel, Munger, McGuire and Weaver introduced:

H. F. No. 2502, A bill for an act relating to recreation; establishing a Cuyuna country state recreation area; establishing a new unit in the outdoor recreation system; appropriating money; amending Minnesota Statutes 1990, sections 86A.04; 86A.05, subdivisions 2 and 3; and 86A.08, subdivision 1; Minnesota Statutes 1991 Supplement, section 85.045, subdivision 2.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Stanius, Segal, Greenfield, Gruenes and Clark introduced:

H. F. No. 2503, A bill for an act relating to human services; establishing a pilot project to fund mental health services for victims of domestic violence; proposing coding for new law in Minnesota Statutes, chapter 245.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Stanius, Skoglund, Ozment, Clark and Munger introduced:

H. F. No. 2504, A bill for an act relating to waste management; requiring recycling of fluorescent lamps in state buildings; amending Minnesota Statutes 1990, section 16B.24, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Stanius, Reding, Ozment, Jacobs and Kelso introduced:

H. F. No. 2505, A bill for an act relating to telephones; allowing telephone companies to offer caller identification service to its subscribers; proposing coding for new law in Minnesota Statutes, chapter 237.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Blatz, Carruthers, Wagenius, Vellenga and Henry introduced:

H. F. No. 2506, A bill for an act relating to human services; requiring the commissioner of human services to investigate child maltreatment in publicly licensed day care facilities; amending Minnesota Statutes 1990, section 626.556, subdivision 10b.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Weaver, Milbert, Lynch, McGuire and Blatz introduced:

H. F. No. 2507, A bill for an act relating to sentencing; regulating the awarding of jail credit to certain offenders; proposing coding for new law in Minnesota Statutes, chapter 609.

The bill was read for the first time and referred to the Committee on Judiciary.

Trimble introduced:

H. F. No. 2508, A bill for an act relating to public safety; providing for membership on emergency response commission and regional review committees; requiring mining companies to comply with the hazardous chemical inventory reporting provisions of the federal emergency planning and community right to know act; amending Minnesota Statutes 1990, sections 299K.03, subdivisions 2 and 3; 299K.04, subdivision 1; and 299K.08, subdivision 2.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Davids introduced:

H. F. No. 2509, A bill for an act relating to education; allowing independent school district Nos. 228 and 238 to cooperate and combine.

The bill was read for the first time and referred to the Committee on Education.

Simoneau and Schreiber introduced:

H. F. No. 2510, A bill for an act relating to transportation; providing for final design and construction of light rail transit by the commissioner of transportation; amending Minnesota Statutes 1990, sections 174.32, subdivisions 2 and 3; 222.50, subdivision 7; 398A.04, by adding a subdivision; 473.167, subdivision 1; 473.384, subdivision 2; 473.399, subdivisions 1 and 3; 473.3994, subdivisions 2, 3, 4, 5, and 7; 473.3996; and 473.4051; Minnesota Statutes 1991 Supplement, sections 117.57, subdivision 3; 398A.04, subdivision 8; and 473.3997; Laws 1991, chapter 291, article 4, section 20; proposing coding for new law in Minnesota Statutes, chapter 174; repealing Minnesota Statutes 1990, section 473.3994, subdivision 6; Minnesota Statutes 1991 Supplement, section 473.3998.

The bill was read for the first time and referred to the Committee on Transportation.

Macklin, Erhardt, Krambeer, Hufnagle and Bettermann introduced:

H. F. No. 2511, A bill for an act relating to the legislature;



regulating its budgets and accounts; proposing coding for new law in Minnesota Statutes, chapter 3.

The bill was read for the first time and referred to the Committee on Ways and Means.

Onnen, Frerichs, Valento, Sviggum and Krambeer introduced:

H. F. No. 2512, A bill for an act proposing an amendment to the Minnesota Constitution to provide for a unicameral legislature; changing article IV; article V, sections 3 and 5; article VIII, section 1; article IX, sections 1 and 2; and article XI, section 5; providing by law for a unicameral legislature of 135 members; amending Minnesota Statutes 1990, sections 2.021; and 2.031, subdivision 1.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Murphy and Brown introduced:

H. F. No. 2513, A bill for an act relating to state government; department of public safety; capitol complex security division; requiring that the director of capitol complex security be a member of the state patrol; amending Minnesota Statutes 1990, section 299E.01, subdivision 1.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Garcia, Beard, McEachern, Solberg and Frederick introduced:

H. F. No. 2514, A bill for an act relating to veterans; establishing a grant program to enhance the operations of county veterans service offices; establishing an education program for county veterans service officers; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 197.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Rest, Ostrom, Janezich, Schreiber and Girard introduced:

H. F. No. 2515, A bill for an act relating to taxation; making technical and administrative changes and corrections; amending Minnesota Statutes 1990, sections 60A.19, subdivision 6; 270.075, subdivision 1; 270A.05; 270A.07, subdivisions 1 and 2; 270A.11; 270B.01, subdivision 8; 273.135, subdivision 2; 274.20, subdivisions

1 and 2; 278.01, subdivision 2; 289A.50, subdivision 5; 290.05, subdivision 4; 290.091, subdivision 6; 290A.03, subdivision 8; 290A.19; 297A.15, subdivisions 5 and 6; 469.177, subdivision 1a; 473.446, subdivision 1; 473H.10, subdivision 3; 541.07; Minnesota Statutes 1991 Supplement, sections 124A.23, subdivision 1; 270A.04, subdivision 2; 270A.08, subdivision 2; 273.13, subdivisions 22 and 25, as amended; 273.1398, subdivision 7; 273.1399; 275.065, subdivision 5a; 275.125, subdivision 5; 279.03, subdivision 1a; 281.17; 289A.20, subdivision 1; 290.0671, subdivision 1; 290.091, subdivision 2; 290.0921, subdivision 8; 290.0922, subdivision 1; 290.92, subdivision 23; 375.192, subdivision 2; 423A.02, subdivision 1a; Laws 1991, chapter 291, articles 1, section 65; and 7, section 27; proposing coding for new law in Minnesota Statutes, chapters 13 and 289A; repealing Minnesota Statutes 1990, section 289A.12, subdivision 1; 290.48, subdivision 7; 297.32, subdivision 7.

The bill was read for the first time and referred to the Committee on Taxes.

Stanius, Pugh, Wejcman, Hanson and Dawkins introduced:

H. F. No. 2516, A bill for an act relating to family day care licensing; providing incentives for counties; amending Minnesota Statutes 1990, section 245A.16, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Sparby; Tunheim; Lieder; Olson, E., and Dauner introduced:

H. F. No. 2517, A bill for an act relating to human services; providing for a pilot project for an improved mental health services delivery system to include certain counties for adults with serious and persistent mental illness; appropriating money.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Nelson, K.; Skoglund; Wagenius; Clark and Wejcman introduced:

H. F. No. 2518, A bill for an act relating to education; modifying taxpayer notification meetings for certain bond sales; repealing Laws 1990, chapter 604, article 8, section 12.

The bill was read for the first time and referred to the Committee on Education.

Nelson, K.; Skoglund; Hausman; Bishop and Welle introduced:

H. F. No. 2519, A bill for an act relating to education; modifying the funding formula for limited English proficiency programs; amending Minnesota Statutes 1990, section 124.273, by adding a subdivision; Minnesota Statutes 1991 Supplement, sections 124.273, subdivision 1b; 124.321, subdivisions 1 and 2.

The bill was read for the first time and referred to the Committee on Education.

Segal introduced:

H. F. No. 2520, A bill for an act relating to economic development; creating standards for quasi-public agencies; proposing coding for new law in Minnesota Statutes, chapter 15.

The bill was read for the first time and referred to the Committee on Economic Development.

Girard introduced:

H. F. No. 2521, A bill for an act relating to education; modifying eligibility for the cooperation and combination program; amending Minnesota Statutes 1990, section 122.241, subdivision 3.

The bill was read for the first time and referred to the Committee on Education.

Rukavina and Rodosovich introduced:

H. F. No. 2522, A bill for an act relating to human services; providing a statewide caregiver support and respite care project; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 256B.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Rukavina and Rodosovich introduced:

H. F. No. 2523, A bill for an act relating to health; expanding conditions of eligibility for licensing hospital swing beds; amending Minnesota Statutes 1990, section 144.562, subdivision 2.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Hufnagle and Newinski introduced:

H. F. No. 2524, A bill for an act relating to taxation; sales and use; exempting materials used and consumed in the production of certain taxable services; amending Minnesota Statutes 1991 Supplement, section 297A.25, subdivision 9.

The bill was read for the first time and referred to the Committee on Taxes.

Hufnagle introduced:

H. F. No. 2525, A bill for an act relating to taxation; prohibiting the collection of a sales tax increase for a certain period.

The bill was read for the first time and referred to the Committee on Taxes.

Abrams, Knickerbocker and Jefferson introduced:

H. F. No. 2526, A bill for an act relating to Hennepin county; authorizing expenditures to improve and maintain lake quality; proposing coding for new law in Minnesota Statutes, chapter 383B.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Tompkins, Schafer, Seaberg, Omann and Gruenes introduced:

H. F. No. 2527, A bill for an act relating to taxation; income; providing a credit for tuition and books for elementary and secondary schools; amending Minnesota Statutes 1990, sections 290.01, subdivision 19b; 290.06, by adding a subdivision; and 290.0802, subdivision 2; Minnesota Statutes 1991 Supplement, section 290.0802, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

Ogren, Lourey and Murphy introduced:

H. F. No. 2528, A bill for an act relating to the city of Cloquet; permitting the city to issue bonds for a water line.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Bodahl and Kelso introduced:

H. F. No. 2529, A bill for an act relating to capital improvements; authorizing bonds and appropriating money for the Chaska flood control project.

The bill was read for the first time and referred to the Committee on Appropriations.

Segal introduced:

H. F. No. 2530, A bill for an act relating to economic development; creating a mission statement for the department of trade and economic development; proposing coding for new law in Minnesota Statutes, chapter 116J.

The bill was read for the first time and referred to the Committee on Economic Development.

Segal introduced:

H. F. No. 2531, A bill for an act relating to human services; directing the commissioner of human services to provide equal access to new or existing community programs to all persons with mental retardation or related conditions; proposing coding for new law in Minnesota Statutes, chapter 245.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Segal and Schreiber introduced:

H. F. No. 2532, A bill for an act relating to human services; limiting the powers and duties of public guardian or conservator to the commissioner; amending Minnesota Statutes 1990, section 252A.111, subdivision 5.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Janezich introduced:

H. F. No. 2533, A bill for an act relating to occupations and professions; cosmetologists; prohibiting salons from subleasing space; amending Minnesota Statutes 1990, section 155A.08, subdivision 1.

The bill was read for the first time and referred to the Committee on Commerce.

Uphus introduced:

H. F. No. 2534, A bill for an act relating to health care access; creating a health care access account in the state treasury; modifying the distribution of lottery funds; amending Minnesota Statutes 1991 Supplement, section 349A.10, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 62J.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Uphus introduced:

H. F. No. 2535, A bill for an act relating to elections; changing deadlines for certain statutory cities to abolish the ward system; amending Minnesota Statutes 1990, section 412.023, subdivision 4.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Sviggum introduced:

H. F. No. 2536, A bill for an act relating to outdoor recreation; permitting operation of a certain commercial activity by a nonprofit trail association in Goodhue county.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Milbert, Pugh and Beard introduced:

H. F. No. 2537, A bill for an act relating to lawful gambling; allowing 100 percent of real estate taxes and assessments as lawful purpose expenditures for certain gambling premises constructed or expanded before August 1, 1990; amending Minnesota Statutes 1991 Supplement, section 349.12, subdivision 25.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Bishop introduced:

H. F. No. 2538, A bill for an act relating to probate; establishing a

durable health care power of attorney; proposing coding for new law as Minnesota Statutes, chapter 145C.

The bill was read for the first time and referred to the Committee on Judiciary.

Peterson; Sparby; Dempsey; Nelson, S., and Bodahl introduced:

H. F. No. 2539, A bill for an act relating to natural resources; payments by the state on lands enrolled in a certain federal program; proposing coding for new law in Minnesota Statutes, chapter 477A.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Anderson, I.; Johnson, R., and Kinkel introduced:

H. F. No. 2540, A bill for an act relating to taxation; providing for additional payments of fire state aid; appropriating money.

The bill was read for the first time and referred to the Committee on Taxes.

Pugh, Bishop, Orenstein, Macklin and Brown introduced:

H. F. No. 2541, A bill for an act relating to probate; enacting the uniform transfer on death security registration act; providing for rights of creditors and revocation of beneficiary designation by will; proposing coding for new law in Minnesota Statutes, chapter 524.

The bill was read for the first time and referred to the Committee on Judiciary.

Anderson, I.; Janezich and Johnson, R., introduced:

H. F. No. 2542, A bill for an act relating to taxation; increasing the amount of certain payments in lieu of taxes; amending Minnesota Statutes 1990, sections 477A.12; and 477A.14.

The bill was read for the first time and referred to the Committee on Taxes.

Munger; Johnson, V.; Kahn; Kalis and Reding introduced:

H. F. No. 2543, A bill for an act relating to water and soil

resources; lands eligible for the reinvest in Minnesota program; amending Minnesota Statutes 1990, sections 103F.505; 103F.511, by adding a subdivision; and Minnesota Statutes 1991 Supplement, section 103F.515, subdivision 2.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Reding, Battaglia, Munger, Pauly and Blatz introduced:

H. F. No. 2544, A bill for an act relating to game and fish; management of aquatic vegetation; rules for stamp design contests; use of live ammunition in dog training; red or blaze orange hunting clothing; nonresident rough fish taking; raccoon seasons; combining of licenses for private fish hatcheries and fish farms; salmon or trout possession; and muskie size limits; amending Minnesota Statutes 1990, sections 84.091, subdivision 1; 97A.045, subdivision 7; 97B.005, subdivisions 2 and 3; 97B.071; 97B.621, subdivision 1; 97C.211; 97C.305, subdivision 1; 97C.375; and 97C.405; Minnesota Statutes 1991 Supplement, section 84.091, subdivision 2; repealing Minnesota Statutes 1990, section 97C.209.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Reding introduced:

H. F. No. 2545, A bill for an act relating to retirement; legislators and elective state officers retirement plans; establishing a retirement fund for each plan; establishing concurrent employer retirement contributions for each plan; establishing special additional employer contribution for each plan; transferring a portion of an existing appropriation; appropriating money; amending Minnesota Statutes 1990, sections 3A.03; 3A.11, subdivision 1; and 352C.09, subdivision 1, and by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapters 3A and 352C; repealing Minnesota Statutes 1990, sections 3A.02, subdivision 3; and 352C.10.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Reding introduced:

H. F. No. 2546, A bill for an act relating to retirement; changing investment return reporting requirements for volunteer fire relief associations; amending Minnesota Statutes 1990, sections 11A.04; and 356.218, subdivisions 2 and 3.



The bill was read for the first time and referred to the Committee on Governmental Operations.

Mariani introduced:

H. F. No. 2547, A bill for an act relating to taxation; property; imposing a surcharge on penalties and interest on certain delinquent real estate taxes; providing for funding for the housing trust fund; amending Minnesota Statutes 1990, sections 276.131; 279.01, by adding a subdivision; and 279.03, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Taxes.

Nelson, K., introduced:

H. F. No. 2548, A bill for an act relating to education; authorizing certain alternative programs to receive certain additional revenue with certain conditions; amending Minnesota Statutes 1991 Supplement, section 126.23.

The bill was read for the first time and referred to the Committee on Education.

Bauerly introduced:

H. F. No. 2549, A bill for an act relating to tax increment financing; authorizing the establishment of manufacturing districts; proposing coding for new law in Minnesota Statutes, chapter 469.

The bill was read for the first time and referred to the Committee on Taxes.

Abrams, Erhardt, Sviggum, Krambeer and Pellow introduced:

H. F. No. 2550, A bill for an act relating to elections; campaign finance; prohibiting certain caucus fundraisers during legislative sessions; prohibiting the transfer of funds from one candidate's principal campaign committee to another candidate's principal campaign committee; prohibiting the formation of more than one campaign committee by a candidate; requiring that recipients of public subsidies agree to raise at least one-half of private contributions from individual constituents; amending Minnesota Statutes 1990, sections 10A.14, subdivision 2; 10A.19, subdivision 1; 10A.27, subdivision 9; 10A.322, by adding a subdivision; and 10A.323; Minnesota Statutes 1991 Supplement, sections 10A.065, subdivi-

sions 1 and 5; and 10A.324, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 10A.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Rest introduced:

H. F. No. 2551, A bill for an act relating to corporations; regulating registrations of domestic corporations with the secretary of state; amending Minnesota Statutes 1990, section 302A.821, as amended.

The bill was read for the first time and referred to the Committee on Commerce.

Jefferson introduced:

H. F. No. 2552, A bill for an act relating to traffic regulations; clarifying vehicles exempt from seat belt and passenger restraint system requirements; prohibiting state agencies from restricting persons from riding on buses that are exempt from requirements for seat belts and passenger restraint systems; amending Minnesota Statutes 1990, section 169.685, subdivision 1, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Transportation.

Jefferson introduced:

H. F. No. 2553, A bill for an act relating to housing; providing for an emergency mortgage and rental assistance pilot project; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 462A.

The bill was read for the first time and referred to the Committee on Housing.

Farrell, Orfield, Segal, Lieder and Hausman introduced:

H. F. No. 2554, A bill for an act relating to domestic abuse; providing for restitution under orders for protection; amending Minnesota Statutes 1990, section 518B.01, subdivision 13, and by adding a subdivision; Minnesota Statutes 1991 Supplement, section 518B.01, subdivisions 4 and 6.

The bill was read for the first time and referred to the Committee on Judiciary.

Farrell, Orfield, Segal, Lieder and Hausman introduced:

H. F. No. 2555, A bill for an act relating to motor vehicle registration; classifying the residence address and telephone number in driver's license and motor vehicle registration records as private data; amending Minnesota Statutes 1990, section 13.69, subdivision 1; repealing Minnesota Statutes 1990, sections 168.346; and 171.12, subdivision 7.

The bill was read for the first time and referred to the Committee on Judiciary.

Goodno; Weaver; Peterson; Johnson, V., and Winter introduced:

H. F. No. 2556, A bill for an act relating to watercraft; allowing towing of persons with personal watercraft equipped with rearview mirrors; amending Minnesota Statutes 1991 Supplement, section 86B.313, subdivision 1.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Weaver, Milbert, Goodno, Blatz and McGuire introduced:

H. F. No. 2557, A bill for an act relating to juveniles; clarifying provisions relating to probation orders in delinquency cases; amending Minnesota Statutes 1990, section 260.185, subdivision 4.

The bill was read for the first time and referred to the Committee on Judiciary.

Kinkel, Dempsey, Jacobs, Hasskamp and Olson, E., introduced:

H. F. No. 2558, A bill for an act relating to taxation; property; providing for classification of resort property; amending Minnesota Statutes 1990, section 273.13, subdivision 24; Minnesota Statutes 1991 Supplement, section 273.13, subdivisions 22 and 25, as amended.

The bill was read for the first time and referred to the Committee on Taxes.

Farrell, Orfield, Segal, Lieder and Carruthers introduced:

H. F. No. 2559, A bill for an act relating to assaults; providing for the establishment of a homicide investigation and tracking system within the bureau of criminal apprehension; creating a domestic abuse data system; providing for statewide enforcement and verification of orders for protection; appropriating money; amending Minnesota Statutes 1990, sections 299C.09; 299C.10; 299C.11; and 299C.12; proposing coding for new law in Minnesota Statutes, chapter 299C.

The bill was read for the first time and referred to the Committee on Judiciary.

Farrell, Orfield, Segal, Lieder and Carruthers introduced:

H. F. No. 2560, A bill for an act relating to crime victims; clarifying law requiring separate waiting rooms for victims and defendants; increasing role of prosecutor in seeking restitution; amending Minnesota Statutes 1990, sections 611A.034; and 611A.04, subdivisions 1 and 1a.

The bill was read for the first time and referred to the Committee on Judiciary.

Sparby, Peterson, Begich, Solberg and Stanius introduced:

H. F. No. 2561, A bill for an act relating to game and fish; transportation of firearms in a motor vehicle; amending Minnesota Statutes 1990, section 97B.045.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Murphy introduced:

H. F. No. 2562, A bill for an act relating to traffic regulations; providing evidentiary presumption that vehicle outwardly identified as a school bus satisfies school bus identification requirements if inspected within 12 hours preceding a traffic violation involving the school bus; amending Minnesota Statutes 1991 Supplement, section 169.444, subdivision 7.

The bill was read for the first time and referred to the Committee on Transportation.

Greenfield, Jefferson, Rodosovich, Segal and Anderson, R., introduced:

H. F. No. 2563, A bill for an act relating to human services; regulating medical assistance payments for the services of occupational and physical therapy assistants.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Vanasek, Welle, Peterson, Dille and Long introduced:

H. F. No. 2564, A bill for an act relating to state government; reorganizing, consolidating, and restructuring state agencies and departments; creating the department of environmental protection and conservation, the board of environmental review, and the office of assistance and public advocacy; transferring all powers and duties of the pollution control agency, the department of natural resources, the environmental quality board, the board of water and soil resources, the office of waste management, the harmful substances compensation board, the petroleum tank release compensation board, and the agricultural chemical response compensation board; transferring certain powers and duties of the departments of agriculture, health, public safety, trade and economic development, and transportation; authorizing rulemaking; amending Minnesota Statutes 1991 Supplement, section 15A.081, subdivision 1; proposing coding for new law as Minnesota Statutes, chapters 100A; and 100B.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Jefferson; Johnson, R.; Reding; O'Connor and Knickerbocker introduced:

H. F. No. 2565, A bill for an act relating to retirement; providing for surviving spouse benefits for the Minneapolis Police Relief Association and the Minneapolis Fire Department Relief Association; amending Laws 1949, chapter 406, section 6, subdivision 1, as amended; and Laws 1965, chapter 519, section 1, as amended.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Wenzel, Omann, Krueger and Bertram introduced:

H. F. No. 2566, A bill for an act relating to agriculture; modifying license fees for certain food handlers; amending Minnesota Statutes 1991 Supplement, section 28A.08.

The bill was read for the first time and referred to the Committee on Agriculture.

Nelson, K.; Simoneau; Rukavina; Beard and Newinski introduced:

H. F. No. 2567, A bill for an act relating to education; providing for a workplace literacy center and demonstration project; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 136C.

The bill was read for the first time and referred to the Committee on Education.

Hufnagle, Newinski and Frederick introduced:

H. F. No. 2568, A bill for an act relating to health; the insect sting emergency treatment act; permitting lay people to administer treatment in emergency situations; proposing coding for new law in Minnesota Statutes, chapter 144.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Rice introduced:

H. F. No. 2569, A bill for an act relating to state lands; providing for a private sale of certain tax-forfeited land that borders public water in Crow Wing county.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Stanius, McGuire, Blatz and Solberg introduced:

H. F. No. 2570, A bill for an act relating to crimes; increasing penalties for repeated harassment crimes; amending Minnesota Statutes 1990, section 609.747, subdivision 2.

The bill was read for the first time and referred to the Committee on Judiciary.

Stanius introduced:

H. F. No. 2571, A bill for an act relating to elections; permitting candidates who are not members of a major political party to appear

on the ballot by filing an affidavit of candidacy; amending Minnesota Statutes 1990, sections 204B.03; and 204D.13, subdivision 3.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

McEachern, Sarna, Kinkel, Girard and Jaros introduced:

H. F. No. 2572, A bill for an act relating to probate; altering the definition of successors; amending Minnesota Statutes 1990, sections 353A.02, subdivision 21; 524.1-201; 524.3-303; and 524.3-308.

The bill was read for the first time and referred to the Committee on Commerce.

Solberg, Vellenga, Seaberg and Greenfield introduced:

H. F. No. 2573, A bill for an act relating to chemical abuse prevention and treatment; requiring coordinated prevention efforts concerning fetal alcohol syndrome and drug-exposed infants; appropriating money for community chemical abuse prevention program grants; providing grants for chemical dependency programs targeted at pregnant women and mothers, high-risk youth, and young children; requiring chemical use assessments for certain juveniles at an earlier stage of the juvenile court process; clarifying the duties of the office of drug policy and the chemical abuse prevention resource council; expanding the council's membership; requiring the development of a chemical health index model; requiring a statewide chemical health media campaign; appropriating money; amending Minnesota Statutes 1990, sections 241.021, by adding a subdivision; 254A.14, by adding a subdivision; 254A.17, subdivision 1, and by adding a subdivision; 260.151, subdivision 1; and 260.172, by adding a subdivision; Minnesota Statutes 1991 Supplement, sections 299A.30, subdivision 2; 299A.31, subdivision 1; and 299A.32, subdivision 2a; proposing coding for new law in Minnesota Statutes, chapters 145; and 299A.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Carruthers, Vellenga, Swenson, Solberg and McGuire introduced:

H. F. No. 2574, A bill for an act relating to traffic regulations; providing misdemeanor penalties for persons who refuse to submit to a chemical test to determine if the person is under the influence of alcohol or a controlled substance; amending Minnesota Statutes 1990, section 169.121, subdivisions 1a, 3, and 3b; Minnesota Statutes 1991 Supplement, section 169.123, subdivision 2.

The bill was read for the first time and referred to the Committee on Judiciary.

Segal, Greenfield, Sviggum, Leppik and Vellenga introduced:

H. F. No. 2575, A bill for an act relating to mental health services; requiring the commissioner of human services to prepare a plan to establish service goals and set policy objectives for a statewide community mental health system.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Pelowski introduced:

H. F. No. 2576, A bill for an act relating to human services; increasing the limit on personal care services under the medical assistance program for recipients who need personal care services to communicate with others; amending Minnesota Statutes 1991 Supplement, section 256B.0627, subdivision 5.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Lieder; Kalis; Brown; Johnson, V., and Waltman introduced:

H. F. No. 2577, A bill for an act relating to towns; authorizing town boards to disclaim and extinguish a town interest in abandoned town roads; amending Minnesota Statutes 1990, section 164.06.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Weaver, McGuire, Lynch, Munger and Blatz introduced:

H. F. No. 2578, A bill for an act relating to game and fish; limiting the prohibition on the use of radio equipment to take protected wild animals to big game and small game; amending Minnesota Statutes 1990, section 97B.085, subdivision 1.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Dorn, Greenfield, Sviggum and Orenstein introduced:

H. F. No. 2579, A bill for an act relating to occupations and



professions; modifying disciplinary requirements of the board of social work; allowing the issuance of practice permits; clarifying requirements for changes in licensure level; providing penalties; amending Minnesota Statutes 1990, sections 148B.04, by adding a subdivision; 148B.15; 148B.18, subdivisions 9 and 12; 148B.21, subdivision 2, and by adding subdivisions; 148B.22, subdivision 2; 148B.27, subdivision 3; 148B.28, subdivision 2; Minnesota Statutes 1991 Supplement, sections 148B.04, subdivision 3; 148B.05, subdivision 1; 148B.07, subdivision 3; 148B.08, subdivision 1, and by adding a subdivision; and 148B.175, subdivisions 3, 4, 5, and 8; proposing coding for new law in Minnesota Statutes, chapter 148B; repealing Minnesota Statutes 1990, section 148B.05, subdivision 2.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Johnson, V.; Pelowski; Waltman; Sviggum and McPherson introduced:

H. F. No. 2580, A bill for an act relating to game and fish; providing for free fish house and dark house licenses for residents; allowing the taking of fish on certain boundary waters; amending Minnesota Statutes 1990, sections 97A.475, subdivision 11; and 97C.355, subdivision 2.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Jaros and Rukavina introduced:

H. F. No. 2581, A bill for an act relating to lawful gambling; contraband; requiring ten percent of the proceeds of seized property to be forwarded to the Minnesota Council on Compulsive Gambling; amending Minnesota Statutes 1990, section 349.2125, subdivision 4.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Bauerly, McEachern, Ozment, Ostrom and Dille introduced:

H. F. No. 2582, A bill for an act relating to education; establishing a discretionary equity levy and aid program; amending Minnesota Statutes 1990, section 124A.22, by adding a subdivision; Minnesota Statutes 1991 Supplement, section 124A.03, subdivisions 1f, 1g, 1h, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 124A.

The bill was read for the first time and referred to the Committee on Education.

Osthoff, Gutknecht and Solberg introduced:

H. F. No. 2583, A bill for an act relating to lawful gambling; regulating licensed organizations, distributors, and manufacturers; making various technical changes; amending Minnesota Statutes 1990, sections 349.12, subdivisions 1, 11, 18, 21, 23, and 30; 349.152, subdivisions 2 and 3; 349.153; 349.16, subdivision 8; 349.161, subdivisions 1, 3, and 5; 349.162, subdivisions 1, 2, 4, and 5; 349.163, subdivisions 1, 1a, 3, 4, 5, and 6; 349.164, subdivisions 1, 3, and 6; 349.1641; 349.166; 349.168, subdivisions 3 and 6; 349.169, subdivision 2; 349.174; 349.18, subdivision 2; 349.19, subdivision 6; 349.191, subdivisions 1 and 4; 349.2124; 349.2125, subdivisions 1 and 3; and 349.2127, subdivisions 2 and 4; Minnesota Statutes 1991 Supplement, sections 349.12, subdivision 25; 349.151, subdivision 4; 349.154, subdivision 2; 349.167, subdivision 4; 349.18, subdivisions 1 and 1a; and 349.213, subdivision 1.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Sviggum introduced:

H. F. No. 2584, A bill for an act relating to the city of Red Wing; authorizing the expenditure of certain tax increment revenue.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Jefferson introduced:

H. F. No. 2585, A bill for an act relating to elections; special school district No. 1; allowing special school district No. 1 to change the years of its elections; amending Laws 1959, chapter 462, section 3, as amended.

The bill was read for the first time and referred to the Committee on Education.

Trimble, Orenstein, Mariani, Hausman and Vellenga introduced:

H. F. No. 2586, A bill for an act relating to cultural resources; reorganizing the nature of a Saint Paul tourism and cultural district; appropriating money.

The bill was read for the first time and referred to the Committee on Economic Development.

Runbeck, Jefferson, Leppik and Smith introduced:

H. F. No. 2587, A bill for an act relating to state government; imposing certain requirements on state contracts for advertising, public relations, and marketing services; imposing requirements on certain recipients of state grants, aids, and appropriations; requiring a study; proposing coding for new law in Minnesota Statutes, chapter 16B.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Bauerly, Lasley, Garcia, Weaver and Rukavina introduced:

H. F. No. 2588, A bill for an act relating to libraries; modifying the local support level required for regional library basic system support grants; amending Minnesota Statutes 1990, section 134.34, subdivision 1; and repealing Minnesota Statutes 1990, section 134.34, subdivision 2.

The bill was read for the first time and referred to the Committee on Education.

Schreiber introduced:

H. F. No. 2589, A bill for an act relating to local government; prohibiting cities and city utility commissions from transferring certain funds; proposing coding for new law in Minnesota Statutes, chapter 465.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Nelson, K., introduced:

H. F. No. 2590, A bill for an act relating to education; placing certain positions in special school district No. 1, Minneapolis, in the unclassified service; amending Laws 1990, chapter 366, section 1, subdivision 2.

The bill was read for the first time and referred to the Committee on Education.

Skoglund introduced:

H. F. No. 2591, A bill for an act relating to financial institutions; requiring state depositories to satisfy community reinvestment standards; amending Minnesota Statutes 1990, section 9.031, by adding a subdivision; and Minnesota Statutes 1991 Supplement, section 9.031, subdivision 1.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Stanius, Marsh and Reding introduced:

H. F. No. 2592, A bill for an act relating to natural resources; revising certain laws concerning commercial activities related to wild animals; providing penalties; amending Minnesota Statutes 1990, sections 84.091, subdivision 3; 84.093; 94A.105, subdivisions 1, 2, 3, 4, and by adding a subdivision; 97A.215, subdivision 1; 97A.421, subdivision 1; 97A.425, subdivisions 1, 2, and 3; 97A.475, subdivisions 19, 21, 22, and 24; 97A.505, subdivision 4; 97B.601, subdivision 2; 97B.905, subdivisions 1, 2, 3, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 97A; repealing Minnesota Statutes 1990, section 97A.105, subdivision 6.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Welle introduced:

H. F. No. 2593, A bill for an act relating to state lands; authorizing public sale of certain tax-forfeited land that borders public water in Kandiyohi county.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Seaberg and Morrison introduced:

H. F. No. 2594, A bill for an act relating to drivers' licenses; abolishing requirements to surrender driver's license under certain circumstances; amending Minnesota Statutes 1990, sections 169.121, subdivision 7; 169.123, subdivision 5a; 171.11; and 171.22, subdivision 1; Minnesota Statutes 1991 Supplement, section 171.02, subdivision 1; repealing Minnesota Statutes 1990, section 171.20, subdivision 1.

The bill was read for the first time and referred to the Committee on Transportation.

Dauner, Steensma, Krueger, Peterson and Olson, E., introduced:

H. F. No. 2595, A bill for an act relating to workers' compensation; providing a new general system of law for the compensation of employment related injuries; providing rights, duties, and remedies; providing for administration and procedure; permitting adoption of administrative rules; modifying insurance regulations; appropriating money; amending Minnesota Statutes 1990, sections 79.01, subdivision 1; 79.074, by adding subdivisions; 79.252, by adding a subdivision; 79.50; 79.59; and 176A.03, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 79; proposing coding for new law as Minnesota Statutes, chapter 176C; repealing Minnesota Statutes 1990, section 175.007.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Krueger, Sparby, Marsh, Weaver and Rice introduced:

H. F. No. 2596, A bill for an act relating to the world trade center; authorizing and establishing procedures for the privatization of the world trade corporation; appropriating money; amending Minnesota Statutes 1990, section 44A.0311; proposing coding for new law in Minnesota Statutes, chapter 44A.

The bill was read for the first time and referred to the Committee on Economic Development.

Bertram introduced:

H. F. No. 2597, A bill for an act relating to local government; specifying the prosecuting attorney for certain offenses; amending Minnesota Statutes 1990, section 487.25, subdivision 10.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Anderson, I., introduced:

H. F. No. 2598, A bill for an act relating to education; authorizing a special levy for independent school district No. 361, International Falls.

The bill was read for the first time and referred to the Committee on Education.

Steensma introduced:

H. F. No. 2599, A bill for an act relating to human services; modifying cost reporting procedures and note adjustments for certain nursing facilities; amending Minnesota Statutes 1990, section 256B.431, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Bertram introduced:

H. F. No. 2600, A bill for an act relating to medical examiners; requiring notice to next of kin regarding autopsy results; amending Minnesota Statutes 1990, sections 390.11, by adding a subdivision; and 390.32, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Simoneau and Johnson, R., introduced:

H. F. No. 2601, A bill for an act relating to retirement; providing continued coverage in the Minnesota state retirement system for certain employees; amending Minnesota Statutes 1990, sections 352.01, subdivision 2a; and 352.04, subdivision 6.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Bertram introduced:

H. F. No. 2602, A bill for an act relating to human services; prohibiting an AFDC grant increase for children born more than nine months after a recipient began receiving AFDC; amending Minnesota Statutes 1990, section 256.74, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Bertram introduced:

H. F. No. 2603, A bill for an act relating to human services;

authorizing medical assistance coverage of nursing care provided in a hospital swing bed to a patient in the last stage of a terminal illness; amending Minnesota Statutes 1991 Supplement, section 256B.0625, subdivision 2.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Bertram introduced:

H. F. No. 2604, A bill for an act relating to arrests; requiring peace officers to notify parents of certain arrests; requiring notice to owner of motor vehicle if driver is taken into custody; proposing coding for new law in Minnesota Statutes, chapter 629.

The bill was read for the first time and referred to the Committee on Judiciary.

Lieder, Pauly, Kalis, Lasley and Hugoson introduced:

H. F. No. 2605, A bill for an act proposing an amendment to the Minnesota Constitution, article XIV; dedicating and allocating motor vehicle excise tax proceeds to highway and transit purposes; creating Minnesota mobility trust fund and surface transportation fund; increasing gasoline tax; making technical changes; amending Minnesota Statutes 1990, sections 174.32; and 296.02, subdivision 1b; Minnesota Statutes 1991 Supplement, section 16A.711, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 174; and 297B; repealing Minnesota Statutes 1991 Supplement, sections 161.041; and 297B.09.

The bill was read for the first time and referred to the Committee on Transportation.

#### HOUSE ADVISORIES

The following House Advisory was introduced:

Sparby and Kalis introduced:

H. A. No. 39, A proposal to study certain rail-highway grade crossing accidents.

The advisory was referred to the Committee on Transportation.

**MESSAGES FROM THE SENATE**

The following messages were received from the Senate:

S. F. No. 720, as amended by Conference, was in possession of the House when the 1991 Session adjourned.

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 720, A bill for an act relating to housing and economic development; modifying procedures relating to rent escrow actions; modifying procedures relating to the tenant's loss of essential services; modifying provisions relating to tenant remedy actions, retaliatory eviction proceedings, and receivership proceedings; modifying provisions relating to Minnesota housing finance agency low- and moderate-income housing programs; requiring counseling for reverse mortgage loans; modifying certain receivership, assignment of rents and profits, and landlord and tenant provisions; modifying provisions relating to housing and redevelopment authorities; providing for the issuance of general obligation bonds for housing by the cities of Minneapolis and St. Paul; authorizing the city of Minneapolis to make small business loans; authorizing certain economic development activities within the city of St. Paul; excluding housing districts from the calculation of local government aid reductions; modifying the interest rate reduction program; appropriating money; amending Minnesota Statutes 1990, sections 47.58, by adding a subdivision; 268.39; 273.1399, subdivision 1; 462A.03, subdivisions 10, 13, and 16; 462A.05, subdivision 20, and by adding a subdivision; 462A.08, subdivision 2; 462A.21, subdivisions 4k, 12a, and 14; 462A.22, subdivision 9; 462A.222, subdivision 3; 462C.03, subdivision 10; 469.002, subdivision 24; 469.011, subdivision 4; 469.012, subdivisions 1 and 3; 469.015, subdivisions 3, 4, and by adding a subdivision; 469.176, subdivision 4f; 474A.048, subdivision 2; 481.02, subdivision 3; 504.02; 504.18, subdivision 1; 504.185, subdivision 2; 504.20, subdivisions 3, 4, 5, and 7; 504.27; 559.17, subdivision 2; 566.03, subdivision 1; 566.17, by adding a subdivision; 566.175, subdivision 6; 566.18, subdivision 9; 566.29, subdivisions 2 and 4; and 576.01, subdivision 2; Laws 1974, chapter 285, section 4, as amended; Laws 1987, chapter 404, section 28, subdivision 1; Laws 1988, chapter 594, section 6; Laws 1989, chapter 335, article 1, section 27, subdivision 1, as amended; proposing coding for new law in Minnesota Statutes, chapter 609; repealing Minnesota Statutes 1990, section 462A.05, subdivisions 28 and 29.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said Senate File is herewith transmitted to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate



Madam Speaker:

I hereby announce that the Senate wishes to recall for the purpose of further consideration S. F. No. 720.

PATRICK E. FLAHAVEN, Secretary of the Senate

Clark moved that the House accede to the request of the Senate for the return of S. F. No. 720, and that the bill together with the Conference Committee Report, be returned to the Senate for further consideration. The motion prevailed.

Madam Speaker:

I hereby announce the passage by the Senate of the following Senate File, herewith transmitted:

S. F. No. 1694.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 1694, A bill for an act relating to Hennepin county; authorizing expenditures to improve and maintain lake quality; proposing coding for new law in Minnesota Statutes, chapter 383B.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

### CONSENT CALENDAR

H. F. No. 1763 was reported to the House.

Welle moved that H. F. No. 1763 be continued on the Consent Calendar. The motion prevailed.

H. F. No. 1911 was reported to the House.

Johnson, R., moved that H. F. No. 1911 be continued on the Consent Calendar. The motion prevailed.

## CALENDAR

H. F. No. 1862, A bill for an act relating to the city of Minneapolis; extending authority to guarantee certain loans; amending Laws 1988, chapter 594, section 6.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Farrell	Kelso	O'Connor	Simoneau
Anderson, I.	Frederick	Kinkel	Ogren	Skoglund
Anderson, R.	Frerichs	Knickerbocker	Olsen, S.	Smith
Anderson, R. H.	Garcia	Koppendraye	Olson, E.	Sparby
Battaglia	Girard	Krambeer	Olson, K.	Stanis
Bauerly	Goodno	Krinkie	Omann	Steensma
Beard	Gruenes	Krueger	Onnen	Sviggum
Begich	Gutknecht	Lasley	Orenstein	Swenson
Bertram	Hartle	Leppik	Orfield	Thompson
Bettermann	Hasskamp	Lieder	Osthoff	Tompkins
Bishop	Haukoos	Limmer	Ozment	Trimble
Blatz	Hausman	Lourey	Pauly	Tunheim
Bodahl	Heir	Lynch	Pellow	Uphus
Boo	Henry	Macklin	Pelowski	Valento
Carlson	Hufnagle	Mariani	Peterson	Vanasek
Carruthers	Hugoson	Marsh	Pugh	Vellenga
Clark	Jacobs	McEachern	Reding	Wagenius
Cooper	Jaros	McGuire	Rice	Waltman
Dauner	Jefferson	McPherson	Rukavina	Weaver
Davids	Jennings	Milbert	Runbeck	Wejeman
Dawkins	Johnson, A.	Morrison	Sarna	Welker
Dempsey	Johnson, R.	Munger	Schafer	Welle
Dille	Johnson, V.	Murphy	Schreiber	Wenzel
Dorn	Kahn	Nelson, S.	Seaberg	Winter
Erhardt	Kalis	Newinski	Segal	Spk. Long

The bill was passed and its title agreed to.

H. F. No. 1889, A bill for an act relating to employment; modifying provisions related to access to employee personnel records; amending Minnesota Statutes 1990, sections 181.961, subdivision 2; and 181.962, subdivision 1.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Farrell	Kalis	O'Connor	Segal
Anderson, I.	Frederick	Kelso	Ogren	Simoneau
Anderson, R.	Frerichs	Kinkel	Olsen, S.	Skoglund
Anderson, R. H.	Garcia	Knickerbocker	Olson, E.	Smith
Battaglia	Girard	Koppendraye	Olson, K.	Sparby
Bauerly	Goodno	Krambeer	Omman	Stanius
Beard	Greenfield	Krinkie	Onnen	Steensma
Begich	Gruenes	Krueger	Orenstein	Svigum
Bertram	Gutknecht	Lasley	Orfield	Swenson
Bettermann	Hanson	Leppik	Osthoff	Thompson
Bishop	Hartle	Lieder	Ostrom	Tompkins
Blatz	Hasskamp	Limmer	Ozment	Trimble
Bodahl	Haukoos	Lourey	Pauly	Tunheim
Boo	Hausman	Lynch	Pellow	Uphus
Brown	Heir	Macklin	Pelowski	Valento
Carlson	Henry	Mariani	Peterson	Vanasek
Carruthers	Hufnagle	Marsh	Pugh	Vellenga
Clark	Hugoson	McEachern	Reding	Wagenius
Cooper	Jacobs	McGuire	Rest	Waltman
Dauner	Jaros	McPherson	Rice	Weaver
Davids	Jefferson	Milbert	Rukavina	Wejcmán
Dawkins	Jennings	Morrison	Runbeck	Welker
Dempsey	Johnson, A.	Munger	Sarna	Welle
Dille	Johnson, R.	Murphy	Schafer	Wenzel
Dorn	Johnson, V.	Nelson, S.	Schreiber	Winter
Erhardt	Kahn	Newinski	Seaberg	Spk. Long

The bill was passed and its title agreed to.

### GENERAL ORDERS

Welle moved that the bills on General Orders for today be continued. The motion prevailed.

### MOTIONS AND RESOLUTIONS

Pugh moved that the name of Scheid be stricken and the name of Abrams be added as an author on H. F. No. 1711. The motion prevailed.

Cooper moved that the name of Peterson be added as an author on H. F. No. 1784. The motion prevailed.

Stanius moved that the names of Dawkins, Krinkie, Runbeck and Valento be added as authors on H. F. No. 1927. The motion prevailed.

Murphy moved that the name of Girard be added as an author on H. F. No. 1931. The motion prevailed.

Cooper moved that the name of Welle be stricken and the name of Pelowski be added as an author on H. F. No. 2024. The motion prevailed.

Olson, E., moved that the name of Schreiber be added as an author on H. F. No. 2031. The motion prevailed.

Vanasek moved that the name of Lourey be added as an author on H. F. No. 2040. The motion prevailed.

Pelowski moved that the name of Limmer be added as an author on H. F. No. 2042. The motion prevailed.

Kalis moved that his name be stricken as an author on H. F. No. 2054. The motion prevailed.

Murphy moved that the name of Erhardt be added as an author on H. F. No. 2089. The motion prevailed.

Segal moved that the name of Vellenga be added as an author on H. F. No. 2117. The motion prevailed.

Trimble moved that the name of Dawkins be added as an author on H. F. No. 2199. The motion prevailed.

Anderson, I., moved that his name be stricken as an author on H. F. No. 2219. The motion prevailed.

Carruthers moved that the name of Long be added as third author on H. F. No. 2231. The motion prevailed.

Carruthers moved that the names of Smith; Johnson, R., and O'Connor be added as authors on H. F. No. 2250. The motion prevailed.

Tunheim moved that the name of Sparby be added as an author on H. F. No. 2285. The motion prevailed.

Boo moved that the name of Dawkins be added as an author on H. F. No. 2286. The motion prevailed.

Runbeck moved that the names of Simoneau, Milbert and Newinski be added as authors on H. F. No. 2299. The motion prevailed.

Blatz moved that the name of Henry be added as an author on H. F. No. 2305. The motion prevailed.

Vellenga moved that the name of Lynch be added as an author on H. F. No. 2307. The motion prevailed.

Lynch moved that the name of Kinkel be added as an author on H. F. No. 2318. The motion prevailed.

Davids moved that the names of Anderson, R. H., and Nelson, S., be added as authors on H. F. No. 2325. The motion prevailed.

Solberg moved that the name of Hanson be added as an author on H. F. No. 2361. The motion prevailed.

Wejcman moved that the name of Hanson be added as an author on H. F. No. 2374. The motion prevailed.

Bertram moved that the name of Anderson, I., be added as an author on H. F. No. 2383. The motion prevailed.

Johnson, R., moved that H. F. No. 2393 be recalled from the Committee on Education and be re-referred to the Committee on Appropriations. The motion prevailed.

Johnson, R., moved that H. F. No. 2394 be recalled from the Committee on Education and be re-referred to the Committee on Appropriations. The motion prevailed.

Johnson, A., moved that H. F. No. 2283 be recalled from the Committee on Education and be re-referred to the Committee on Governmental Operations. The motion prevailed.

Begich moved that H. F. No. 2336 be recalled from the Committee on Financial Institutions and Insurance and be re-referred to the Committee on Labor-Management Relations. The motion prevailed.

Reding moved that H. F. No. 779 be recalled from the Committee on Taxes and be re-referred to the Committee on Governmental Operations. The motion prevailed.

Pugh moved that H. F. No. 2402 be recalled from the Committee on Commerce and be re-referred to the Committee on Judiciary. The motion prevailed.

Trimble moved that S. F. No. 976 be recalled from the Committee on Health and Human Services and be re-referred to the Committee on General Legislation, Veterans Affairs and Gaming. The motion prevailed.

Segal moved that H. F. No. 2041 be recalled from the Committee on Health and Human Services and be re-referred to the Committee on Judiciary. The motion prevailed.

Anderson, R., moved that H. F. No. 1942 be returned to its author. The motion prevailed.

Girard, Newinski, Erhardt, Leppik and Pauly introduced:

House Concurrent Resolution No. 7, A house concurrent resolution amending the joint rules; prohibiting legislator activity as a lobbyist.

The concurrent resolution was referred to the Committee on Rules and Legislative Administration.

Girard, Newinski, Leppik, Erhardt and Pauly introduced:

House Concurrent Resolution No. 8, A house concurrent resolution prohibiting the provision of travel costs by a lobbyist.

The concurrent resolution was referred to the Committee on Rules and Legislative Administration.

Welle moved that when the House adjourns today it adjourn until 2:30 p.m., Monday, March 9, 1992. The motion prevailed.

Welle moved that the House recess subject to the call of the Chair. The motion prevailed.

#### RECESS

#### RECONVENED

The House reconvened and was called to order by the Speaker at 6:45 p.m.

The Sergeant at Arms announced the arrival of the members of the Senate and they were escorted to the seats reserved for them at the front of the Chamber.

#### JOINT CONVENTION

The Speaker of the House as President of the Joint Convention called the Joint Convention to order.

Prayer was offered by Senator Pat Piper, District 31, Austin, Minnesota.

The roll being called, the following Senators answered to their names: Adkins, Beckman and Belanger.

Senator Moe, R. D., moved that further proceedings of the roll call be dispensed with. The motion prevailed and a quorum was declared present.

The Sergeant at Arms announced the arrival of the Constitutional Officers of the State of Minnesota: Joan Anderson Growe, Secretary of State; Mark Dayton, State Auditor; Michael A. McGrath, State Treasurer and Hubert H. Humphrey, III, Attorney General. The Constitutional Officers were escorted to the seats reserved for them.

The Sergeant at Arms announced the arrival of the Honorable Joannell M. Dyrstad, Lieutenant Governor of the State of Minnesota. The Lieutenant Governor was escorted to the seat reserved for her at the rostrum.

The Sergeant at Arms announced the arrival of the Honorable Arne H. Carlson, Governor of the State of Minnesota and his official party. The Governor was escorted to the rostrum by the appointed committees.

#### ADDRESS BY THE GOVERNOR

Governor Arne H. Carlson was presented by the President of the Joint Convention, the Honorable Dee Long, and the Governor delivered his supplemental budget message to the members of the Joint Convention and their guests.

Following the address, Senator Moe, R. D., moved that the Joint Convention arise. The motion prevailed and the President declared the Joint Convention adjourned.

#### RECONVENED

The House reconvened and was called to order by the Speaker.

#### ADJOURNMENT

Welle moved that the House adjourn. The motion prevailed, and

the Speaker declared the House stands adjourned until 2:30 p.m., Monday, March 9, 1992.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



## STATE OF MINNESOTA

## SEVENTY-SEVENTH SESSION—1992

## SEVENTY-FOURTH DAY

SAINT PAUL, MINNESOTA, MONDAY, MARCH 9, 1992

The House of Representatives convened at 2:30 p.m. and was called to order by Dee Long, Speaker of the House.

Prayer was offered by the Reverend Peg Chamberlin, Director, Minnesota Food Share, Minneapolis, Minnesota.

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

The roll was called and the following members were present:

Abrams	Farrell	Kahn	Nelson, S.	Seaberg
Anderson, I.	Frederick	Kalis	Newnski	Simoneau
Anderson, R.	Frerichs	Kelso	O'Connor	Skoglund
Anderson, R. H.	Garcia	Kinkel	Ogren	Smith
Battaglia	Girard	Knickerbocker	Olsen, S.	Solberg
Bauerly	Goodno	Koppendrayer	Olsen, E.	Sparby
Beard	Greenfield	Krambeer	Olson, K.	Stanius
Begich	Gruenes	Krinkie	Omann	Steensma
Bertram	Gutknecht	Krueger	Onnen	Sviggum
Bettermann	Hanson	Lasley	Orenstein	Swenson
Bishop	Hartle	Leppik	Orfield	Thompson
Blatz	Hasskamp	Lieder	Osthoff	Tompkins
Bodahl	Haukoos	Limmer	Ostrom	Trimble
Boo	Hausman	Lourey	Ozment	Tunheim
Brown	Heir	Lynch	Pauly	Uphus
Carlson	Henry	Macklin	Pellow	Valento
Carruthers	Hufnagle	Mariani	Pelowski	Vanasek
Clark	Hugoson	Marsh	Peterson	Wagenius
Cooper	Jacobs	McEachern	Pugh	Waltman
Dauner	Janezich	McGuire	Reding	Weaver
Davids	Jaros	McPherson	Rest	Wejcman
Dawkins	Jefferson	Milbert	Rice	Welker
Dempsey	Jennings	Morrison	Runbeck	Welle
Dille	Johnson, A.	Munger	Sarna	Wenzel
Dorn	Johnson, R.	Murphy	Schafer	Winter
Erhardt	Johnson, V.	Nelson, K.	Schreiber	Spk. Long

A quorum was present.

Rodosovich, Rukavina and Segal were excused.

Vellenga was excused until 3:05 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Bertram moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

## REPORTS OF STANDING COMMITTEES

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 1350, A bill for an act relating to retirement; major and statewide retirement plans; crediting service and salary when back pay is awarded in the event of a wrongful discharge; proposing coding for new law in Minnesota Statutes, chapter 356.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [356.50] [SERVICE AND SALARY CREDIT FROM BACK PAY AWARDS IN THE EVENT OF WRONGFUL DISCHARGE.]

(a) A person who is wrongfully discharged from public employment that gave rise to coverage by a public employee pension plan listed in section 356.30, subdivision 3, is entitled to obtain allowable service credit from the applicable public employee pension plan for the applicable period caused by the wrongful discharge. A person is wrongfully discharged for purposes of this section if:

(1) the person has been determined by a court of competent jurisdiction or an arbitrator in binding arbitration to have been wrongfully discharged from public employment;

(2) the person received an award of back pay with respect to that discharge; and

(3) the award does not include any amount for any lost or interrupted public pension plan coverage.

(b) To obtain the public pension plan allowable service credit, the person shall pay the required member contribution amount. The required member contribution amount is the member contribution rate or rates in effect for the pension plan during the period of service covered by the back pay award, applied to the unpaid gross salary amounts of the back pay award including unemployment compensation, workers' compensation, or wages from other sources which reduced the back award. No contributions shall be made under

this paragraph for compensation covered by a public pension plan listed in section 356.30, subdivision 3, for employment during the removal period. The person shall pay the required member contribution amount within 60 days of the date of receipt of the back pay award, within 60 days of the effective date of this section, or within 60 days of a billing from the retirement fund, whichever is later.

(c) The public employer who wrongfully discharged the public employee must pay an employer contribution on the back pay award. The employer contribution must be based on the employer contribution rate or rates in effect for the pension plan during the period of service covered by the back pay award, applied to the salary amount on which the member contribution amount was determined under paragraph (b). Interest on both the required member and employer contribution amount must be paid by the employer at the annual compound rate of 8.5 percent per year, expressed monthly, between the date the contribution amount would have been paid to the date of actual payment. The employer payment must be made within 30 days of the payment under paragraph (b).

Sec. 2. [REPEALER.]

Minnesota Statutes 1991 Supplement, section 353.27, subdivision 5a, is repealed.

Sec. 3. [EFFECTIVE DATE.]

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

Amend the title as follows:

Page 1, line 6, before the period insert "; repealing Minnesota Statutes 1991 Supplement, section 353.27, subdivision 5a"

With the recommendation that when so amended the bill pass.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 1567, A bill for an act relating to retirement; Falcon Heights volunteer firefighters relief associations; authorizing full vesting with five years of service.

Reported the same back with the following amendments:

Page 1, line 12, delete everything after “pay”

Page 1, line 13, delete “completed fewer than five years of service and”

Page 1, delete lines 19 to 25

Page 2, delete lines 1 to 6

Page 2, line 10, before the underscored period insert “, and applies for the plan year in which the reduced vesting provision is approved and implemented”

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Vellenga from the Committee on Judiciary to which was referred:

H. F. No. 1910, A bill for an act relating to corporations; providing for the formation, organization, operation, taxation, management, and ownership of limited liability companies; prescribing the procedures for filing articles of organization; establishing the powers of a limited liability company; providing for the naming of a limited liability company; providing for the appointment of a resident agent for a limited liability company; establishing the relationship of the members of a limited liability company to each other and to third parties; permitting the merger of one or more limited liability companies with other domestic limited liability companies and domestic and foreign corporations; providing for the dissolution, winding up, and termination of a limited liability company; providing for foreign limited liability companies to do business in this state; defining certain terms; appropriating money; amending Minnesota Statutes 1990, sections 290.01, by adding a subdivision; 302A.011, subdivision 19; 302A.115, subdivision 1; 302A.121, subdivision 2; 302A.601, by adding a subdivision; 308A.005, subdivision 6; 308A.121, subdivision 1; 317A.011, subdivision 16; 317A.115, subdivision 2; 319A.02, subdivision 5, and by adding a subdivision; 319A.03; 319A.05; 319A.06, subdivision 2; 319A.07; 319A.12, subdivisions 1a and 2; 319A.20; 322A.01; 322A.02; 333.001; 333.18, subdivision 2; 333.20, subdivision 2; and 333.21, subdivision 1; Minnesota Statutes 1991 Supplement, sections 290.06, subdivision 22; and 302A.471, subdivision 1; proposing coding for new law as Minnesota Statutes, chapter 322B.

Reported the same back with the following amendments:

Page 1, after line 34, insert:

“Section 1. Minnesota Statutes 1990, section 116B.02, subdivision 2, is amended to read:

Subd. 2. “Person” means any natural person, any state, municipality or other governmental or political subdivision or other public agency or instrumentality, any public or private corporation, any partnership, firm, association, or other organization, any receiver, trustee, assignee, agent, or other legal representative of any of the foregoing, and any other entity, except a family farm, a family farm corporation, a family farm limited liability company, or a bona fide farmer corporation.

Sec. 2. Minnesota Statutes 1990, section 116B.02, is amended by adding a subdivision to read:

Subd. 9. [FAMILY FARM LIMITED LIABILITY COMPANY.] “Family farm limited liability company” has the meaning given in section 500.24, subdivision 2, paragraph (j).

Sec. 3. Minnesota Statutes 1990, section 273.124, subdivision 8, is amended to read:

Subd. 8. [HOMESTEAD OWNED BY FAMILY FARM CORPORATION, FAMILY FARM LIMITED LIABILITY COMPANY, OR PARTNERSHIP.] (a) Each family farm corporation, each family farm limited liability company, and each partnership operating a family farm is entitled to class 1b under section 273.13, subdivision 22, paragraph (b), or class 2a assessment for one homestead occupied by a shareholder, limited liability company member, or partner thereof who is residing on the land and actively engaged in farming of the land owned by the corporation, limited liability company, or partnership. Homestead treatment applies even if legal title to the property is in the name of the corporation, limited liability company, or partnership and not in the name of the person residing on it. “Family farm corporation,” “family farm limited liability company,” and “family farm” have the meanings given in section 500.24, except that the number of allowable shareholders, limited liability company members, or partners under this subdivision shall not exceed 12.

(b) In addition to property specified in paragraph (a), any other residences owned by corporations, limited liability companies, or partnerships described in paragraph (a) which are located on agricultural land and occupied as homesteads by shareholders, limited liability company members, or partners who are actively engaged in farming on behalf of the corporation, limited liability company, or

partnership must also be assessed as class 2a property or as class 1b property under section 273.13, subdivision 22, paragraph (b), but the property eligible is limited to the residence itself and as much of the land surrounding the homestead, not exceeding one acre, as is reasonably necessary for the use of the dwelling as a home, and does not include any other structures that may be located on it.”

Page 2, line 2, delete “must be” and insert “is”

Page 8, after line 29, insert:

“Sec. 13. Minnesota Statutes 1990, section 308A.311, is amended by adding a subdivision to read:

Subd. 6a. [FARM LIMITED LIABILITY COMPANY MEMBER MAY BE A DIRECTOR.] If a member of a cooperative is a family farm limited liability company as defined in section 500.24, subdivision 2, paragraph (j), or an authorized farm limited liability company as defined in section 500.24, subdivision 2, paragraph (k), the member may elect or appoint an individual member of the farm limited liability company residing on or actively operating the farm to be eligible for election as a director to the board.

Sec. 14. Minnesota Statutes 1990, section 308A.311, subdivision 7, is amended to read:

Subd. 7. [CORPORATE MEMBERS MAY NOMINATE PERSONS FOR DIRECTOR.] If a member of a cooperative is not a natural person, family farm corporation, or an authorized farm corporation, a family farm limited liability company, or an authorized farm limited liability company, and the bylaws do not provide otherwise, the member may appoint or elect one or, for a cooperative constituted entirely of other cooperatives or associations, one or more natural persons to be eligible for election as a director to the board.”

Page 8, line 11, delete “this” and insert “a”

Page 16, after line 27, insert:

“Sec. 32. Minnesota Statutes 1990, section 500.24, subdivision 2, is amended to read:

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

(a) “Farming” means the production of (1) agricultural products; (2) livestock or livestock products; (3) milk or milk products; or (4) fruit or other horticultural products. It does not include the processing, refining, or packaging of said products, nor the provision of

spraying or harvesting services by a processor or distributor of farm products. It does not include the production of timber or forest products or the production of poultry or poultry products.

(b) "Family farm" means an unincorporated farming unit owned by one or more persons residing on the farm or actively engaging in farming.

(c) "Family farm corporation" means a corporation founded for the purpose of farming and the ownership of agricultural land in which the majority of the voting stock is held by and the majority of the stockholders are persons or the spouses of persons related to each other within the third degree of kindred according to the rules of the civil law, and at least one of said related persons is residing on or actively operating the farm, and none of whose stockholders are corporations; provided that a family farm corporation shall not cease to qualify as such hereunder by reason of any devise or bequest of shares of voting stock.

(d) "Authorized farm corporation" means a corporation meeting the following standards:

- (1) its shareholders do not exceed five in number;
- (2) all its shareholders, other than any estate are natural persons;
- (3) it does not have more than one class of shares; and
- (4) its revenues from rent, royalties, dividends, interest, and annuities does not exceed 20 percent of its gross receipts; and
- (5) shareholders holding 51 percent or more of the interest in the corporation must be residing on the farm or actively engaging in farming;
- (6) the authorized farm corporation, directly or indirectly, owns or otherwise has an interest, whether legal, beneficial, or otherwise, in any title to no more than 1,500 acres of real estate used for farming or capable of being used for farming in this state; and
- (7) a shareholder of the authorized farm corporation is not a shareholder in other authorized farm corporations that directly or indirectly in combination with the authorized farm corporation own ~~not~~ more than 1,500 acres of real estate used for farming or capable of being used for farming in this state.

(e) "Agricultural land" means land used for farming.

(f) "Pension or investment fund" means a pension or employee welfare benefit fund, however organized, a mutual fund, a life

insurance company separate account, a common trust of a bank or other trustee established for the investment and reinvestment of money contributed to it, a real estate investment trust, or an investment company as defined in United States Code, title 15, section 80a-3. "Pension or investment fund" does not include a benevolent trust established by the owners of a family farm, authorized farm corporation or family farm corporation.

(g) "Farm homestead" means a house including adjoining buildings that has been used as part of a farming operation or is part of the agricultural land used for a farming operation.

(h) "Family farm partnership" means a limited partnership formed for the purpose of farming and the ownership of agricultural land in which the majority of the interests in the partnership is are held by and the majority of the partners are persons or the spouses of persons related to each other within the third degree of kindred according to the rules of the civil law, and at least one of the related persons is residing on or actively operating the farm, and none of the partners are corporations. A family farm partnership does not cease to qualify as a family farm partnership because of a devise or bequest of interest in the partnership.

(i) "Authorized farm partnership" means a limited partnership meeting the following standards:

(1) it has been issued a certificate from the secretary of state or is registered with the county recorder and farming and ownership of agricultural land is stated as a purpose or character of the business;

(2) its partners do not exceed five in number;

(3) all its partners, other than an estate, are natural persons;

(4) its revenues from rent, royalties, dividends, interest, and annuities do not exceed 20 percent of its gross receipts;

(5) its general partners hold at least 51 percent of the interest in the land assets of the partnership and reside on the farm or are actively engaging in farming not more than 1,500 acres as a general partner in an authorized limited partnership;

(6) its limited partners do not participate in the business of the limited partnership including operating, managing, or directing management of farming operations;

(7) the authorized farm partnership, directly or indirectly, does not own or otherwise have an interest, whether legal, beneficial, or otherwise, in a title to more than 1,500 acres of real estate used for farming or capable of being used for farming in this state; and



(8) a limited partner of the authorized farm partnership is not a limited partner in other authorized farm partnerships that directly or indirectly in combination with the authorized farm partnership own ~~not~~ more than 1,500 acres of real estate used for farming or capable of being used for farming in this state.

(j) “Family farm limited liability company” means a limited liability company founded for the purpose of farming and the ownership of agricultural land in which the majority of the membership interests in the limited liability company are held by and the majority of the members are persons or the spouses of persons related to each other within the third degree of kindred according to the rules of the civil law. At least one of the related persons must be residing on or actively operating the farm, and none of the members may be corporations. A family farm limited liability company does not cease to qualify as such because of a devise or bequest of a membership interest in the limited liability company.

(k) “Authorized farm limited liability company” means a limited liability company meeting the following standards:

- (1) its members do not exceed five in number;
- (2) all its members, other than any estate, are natural persons;
- (3) its revenues from rent, royalties, dividends, interest, and annuities do not exceed 20 percent of its gross receipts;
- (4) members holding 51 percent or more of the voting power in the limited liability company must be residing on the farm or actively engaging in farming;
- (5) the authorized limited liability company, directly or indirectly, owns or otherwise has an interest, whether legal, beneficial, or otherwise, in title to no more than 1,500 acres of real estate used for farming or capable of being used for farming in this state; and
- (6) a member of the authorized farm limited liability company is not a member in other authorized farm limited liability companies that directly or indirectly in combination with the authorized farm limited liability company own more than 1,500 acres of real estate used for farming or capable of being used for farming in this state.

Sec. 33. Minnesota Statutes 1991 Supplement, section 500.24, subdivision 3, is amended to read:

Subd. 3. [FARMING AND OWNERSHIP OF AGRICULTURAL LAND BY CORPORATIONS RESTRICTED.] No corporation, limited liability company, pension or investment fund, or limited partnership shall engage in farming; nor shall any corporation,

limited liability company, pension or investment fund, or limited partnership, directly or indirectly, own, acquire, or otherwise obtain an interest, whether legal, beneficial or otherwise, in any title to real estate used for farming or capable of being used for farming in this state. Provided, however, that the restrictions in this subdivision do not apply to corporations, limited liability companies, or partnerships in clause (b) and do not apply to corporations, limited liability companies, limited partnerships, and pension or investment funds that record its name and the particular exception under clauses (a) to (s) under which the agricultural land is owned or farmed, have a conservation plan prepared for the agricultural land, report as required under subdivision 4, and satisfy one of the following conditions under clauses (a) to (s):

(a) A bona fide encumbrance taken for purposes of security;

(b) A family farm corporation, an authorized farm corporation, a family farm limited liability company or an authorized farm limited liability company, a family farm partnership, or an authorized farm partnership as defined in subdivision 2 or a general partnership;

(c) Agricultural land and land capable of being used for farming owned by a corporation as of May 20, 1973, or a pension or investment fund as of May 12, 1981, including the normal expansion of such ownership at a rate not to exceed 20 percent of the amount of land owned as of May 20, 1973, or, in the case of a pension or investment fund, as of May 12, 1981, measured in acres, in any five-year period, and including additional ownership reasonably necessary to meet the requirements of pollution control rules;

(d) Agricultural land operated for research or experimental purposes with the approval of the commissioner of agriculture, provided that any commercial sales from the operation must be incidental to the research or experimental objectives of the corporation. A corporation, limited liability company, limited partnership, or pension or investment fund seeking to operate agricultural land for research or experimental purposes must submit to the commissioner a prospectus or proposal of the intended method of operation, containing information required by the commissioner including a copy of any operational contract with individual participants, prior to initial approval of an operation. A corporation, limited partnership, or pension or investment fund operating agricultural land for research or experimental purposes prior to May 1, 1988, must comply with all requirements of this clause except the requirement for initial approval of the project;

(e) Agricultural land operated by a corporation, limited liability company, or limited partnership for the purpose of raising breeding stock, including embryos, for resale to farmers or operated for the purpose of growing seed, wild rice, nursery plants or sod;

(f) Agricultural land and land capable of being used for farming leased by a corporation or limited partnership in an amount, measured in acres, not to exceed the acreage under lease to such corporation as of May 20, 1973, or to the limited partnership as of May 1, 1988, and the additional acreage required for normal expansion at a rate not to exceed 20 percent of the amount of land leased as of May 20, 1973, for a corporation or May 1, 1988, for a limited partnership in any five-year period, and the additional acreage reasonably necessary to meet the requirements of pollution control rules;

(g) Agricultural land when acquired as a gift (either by grant or a devise) by an educational, religious, or charitable nonprofit corporation or by a pension or investment fund or limited liability company or limited partnership; provided that all lands so acquired by a pension or investment fund, and all lands so acquired by a corporation, limited liability company, or limited partnership which are not operated for research or experimental purposes, or are not operated for the purpose of raising breeding stock for resale to farmers or operated for the purpose of growing seed, wild rice, nursery plants or sod must be disposed of within ten years after acquiring title thereto;

(h) Agricultural land acquired by a pension or investment fund or a corporation other than a family farm corporation or authorized farm corporation, as defined in subdivision 2, or a limited liability company other than a family farm limited liability company or authorized farm limited liability company, as defined in subdivision 2, or a limited partnership other than a family farm partnership or authorized farm partnership as defined in subdivision 2, for which the corporation, limited liability company, or limited partnership has documented plans to use and subsequently uses the land within six years from the date of purchase for a specific nonfarming purpose, or if the land is zoned nonagricultural, or if the land is located within an incorporated area. A pension or investment fund or a corporation or limited liability company or limited partnership may hold such agricultural land in such acreage as may be necessary to its nonfarm business operation; provided, however, that pending the development of agricultural land for nonfarm purposes, such land may not be used for farming except under lease to a family farm unit, a family farm corporation, an authorized farm corporation, a family farm limited liability company, an authorized farm limited liability company, a family farm partnership, or an authorized farm partnership, or except when controlled through ownership, options, leaseholds, or other agreements by a corporation which has entered into an agreement with the United States of America pursuant to the New Community Act of 1968 (Title IV of the Housing and Urban Development Act of 1968, United States Code, title 42, sections 3901 to 3914) as amended, or a subsidiary or assign of such a corporation;

(i) Agricultural lands acquired by a pension or investment fund or

a corporation or limited liability company or limited partnership by process of law in the collection of debts, or by any procedure for the enforcement of a lien or claim thereon, whether created by mortgage or otherwise; provided, however, that all lands so acquired be disposed of within ten years after acquiring the title if acquired before May 1, 1988, and five years after acquiring the title if acquired on or after May 1, 1988, acquiring the title thereto, and further provided that the land so acquired shall not be used for farming during the ten-year or five-year period except under a lease to a family farm unit, a family farm corporation, an authorized farm corporation, a family farm limited liability company, an authorized farm limited liability company, a family farm partnership, or an authorized farm partnership. The aforementioned ten-year or five-year limitation period shall be deemed a covenant running with the title to the land against any grantee, assignee, or successor of the pension or investment fund or corporate or limited partnership grantee or assignee or the successor of such pension or investment fund or corporation or limited partnership, corporation, family farm limited liability company, authorized farm limited liability company, or limited partnership. Notwithstanding the five-year divestiture requirement under this clause, a financial institution may continue to own the agricultural land if the agricultural land is leased to the immediately preceding former owner, but must divest of the agricultural land within the ten-year period;

(j) Agricultural land acquired by a corporation regulated under the provisions of Minnesota Statutes 1974, chapter 216B, for purposes described in that chapter or by an electric generation or transmission cooperative for use in its business, provided, however, that such land may not be used for farming except under lease to a family farm unit, a family farm corporation, family farm limited liability company, or a family farm partnership;

(k) Agricultural land, either leased or owned, totaling no more than 2,700 acres, acquired after May 20, 1973, for the purpose of replacing or expanding asparagus growing operations, provided that such corporation had established 2,000 acres of asparagus production;

(l) All agricultural land or land capable of being used for farming which was owned or leased by an authorized farm corporation as defined in Minnesota Statutes 1974, section 500.24, subdivision 1, clause (d), but which does not qualify as an authorized farm corporation as defined in subdivision 2, clause (d);

(m) A corporation formed primarily for religious purposes whose sole income is derived from agriculture;

(n) Agricultural land owned or leased by a corporation prior to August 1, 1975, which was exempted from the restriction of this subdivision under the provisions of Laws 1973, chapter 427, includ-

ing normal expansion of such ownership or leasehold interest to be exercised at a rate not to exceed 20 percent of the amount of land owned or leased on August 1, 1975, in any five-year period and the additional ownership reasonably necessary to meet requirements of pollution control rules;

(o) Agricultural land owned or leased by a corporation prior to August 1, 1978, including normal expansion of such ownership or leasehold interest, to be exercised at a rate not to exceed 20 percent of the amount of land owned or leased on August 1, 1978, and the additional ownership reasonably necessary to meet requirements of pollution control rules, provided that nothing herein shall reduce any exemption contained under the provisions of Laws 1975, chapter 324, section 1, subdivision 2;

(p) An interest in the title to agricultural land acquired by a pension fund or family trust established by the owners of a family farm, authorized farm corporation or family farm corporation, or a family farm limited liability company or an authorized farm limited liability company, but limited to the farm on which one or more of those owners or shareholders, or limited liability company members have resided or have been actively engaged in farming as required by subdivision 2, clause (b), (c), or (d);

(q) Agricultural land owned by a nursing home located in a city with a population, according to the state demographer's 1985 estimate, between 900 and 1,000, in a county with a population, according to the state demographer's 1985 estimate, between 18,000 and 19,000, if the land was given to the nursing home as a gift with the expectation that it would not be sold during the donor's lifetime. This exemption is available until July 1, 1995;

(r) The acreage of agricultural land and land capable of being used for farming owned and recorded by an authorized farm corporation as defined in Minnesota Statutes 1986, section 500.24, subdivision 2, paragraph (d), or a limited partnership as of May 1, 1988, including the normal expansion of the ownership at a rate not to exceed 20 percent of the land owned and recorded as of May 1, 1988, measured in acres, in any five-year period, and including additional ownership reasonably necessary to meet the requirements of pollution control rules;

(s) Agricultural land owned or leased as a necessary part of an aquatic farm as defined in section 17.47, subdivision 3.

Sec. 34. Minnesota Statutes 1990, section 500.24, subdivision 3a, is amended to read:

Subd. 3a. [LEASE AGREEMENT; CONSERVATION PRACTICE PROTECTION CLAUSE.] A corporation, limited liability company, pension or investment fund, or limited partnership, other than a

family farm corporation, an authorized farm corporation, a family farm limited liability company, an authorized farm limited liability company, a family farm partnership, or an authorized farm partnership, when leasing farm land to a family farm unit, a family farm corporation, an authorized farm corporation, a family farm limited liability company, an authorized farm limited liability company, a family farm partnership, or an authorized farm partnership under provisions of subdivision 3, clause (i), must include within the lease agreement a provision prohibiting intentional damage or destruction to a conservation practice on the agricultural land.

Sec. 35. Minnesota Statutes 1990, section 500.24, subdivision 3b, is amended to read:

Subd. 3b. [PROTECTION OF CONSERVATION PRACTICES.] If a corporation, limited liability company, pension or investment fund, or limited partnership, other than a family farm corporation, an authorized farm corporation, a family farm limited liability company, an authorized farm limited liability company, a family farm partnership, or authorized farm partnership, during the period of time it holds agricultural land under subdivision 3, clause (i), intentionally destroys a conservation practice as defined in section 103F.401, subdivision 3, to which the state has made a financial contribution, the corporation, limited liability company, pension or investment fund, or limited partnership must pay the commissioner of agriculture, for deposit in the general fund, an amount equal to the state's total contributions to that conservation practice plus interest from the time of investment in the conservation practice. Interest must be calculated at an annual percentage rate of 12 percent.

Sec. 36. Minnesota Statutes 1990, section 500.24, subdivision 4, is amended to read:

Subd. 4. [REPORTS.] (a) The chief executive officer of every pension or investment fund, corporation, limited liability company, or limited partnership, except a family farm corporation, family farm limited liability company, or a family farm limited partnership, that holds any interest in agricultural land or land used for the breeding, feeding, pasturing, growing, or raising of livestock, dairy or poultry, or products thereof, or land used for the production of agricultural crops or fruit or other horticultural products, other than a bona fide encumbrance taken for purposes of security, or which is engaged in farming or proposing to commence farming in this state after May 20, 1973, shall file with the commissioner of agriculture a report containing the following information and documents:

(1) the name of the pension or investment fund, corporation, limited liability company, or limited partnership and its place of incorporation, organization, certification, or registration;

(2) the address of the pension or investment plan headquarters or of the registered office of the corporation or limited liability company in this state, the name and address of its registered agent in this state and, in the case of a foreign corporation, foreign limited liability company, or limited partnership, the address of its principal office in its place of incorporation, organization, certification, or registration;

(3) the acreage and location listed by quarter-quarter section, township and county of each lot or parcel of land in this state owned or leased by the pension or investment fund, limited partnership, ~~or~~ corporation, or limited liability company and used for the growing of crops or the keeping or feeding of poultry or livestock;

(4) the names and addresses of the officers, administrators, directors or trustees of the pension or investment fund, or of the officers, shareholders owning more than ten percent of the stock, including the percent of stock owned by each such shareholder, and the members of the board of directors of the corporation, or of the managers, members owning more than ten percent of the voting power, including the percent of voting power owned by each member, and the members of the board of governors of the limited liability company, and the general and limited partners and the percentage of interest in the partnership by each partner;

(5) the farm products which the pension or investment fund, limited partnership, ~~or~~ corporation, or limited liability company produces or intends to produce on its agricultural land;

(6) with the first report, a copy of the title to the property where the farming operations are or will occur indicating the particular exception claimed under subdivision 3, clauses (a) to (r); and

(7) with the first or second report, a copy of the conservation plan proposed by the soil and water conservation district, and with subsequent reports a statement of whether the conservation plan was implemented.

The report of a ~~corporation~~ an entity seeking to qualify hereunder as a family farm corporation, an authorized farm corporation, a family farm limited liability company, an authorized farm limited liability company, a family farm partnership, or authorized farm partnership shall contain the following additional information: the number of shares, limited liability company membership interests, or the partnership interests owned by persons residing on the farm or actively engaged in farming, or their relatives within the third degree of kindred according to the rules of the civil law or their spouses; the name, address, and number of shares owned by each shareholder, membership interests owned by each limited liability company member, or partnership interests owned by each partner; and a statement as to percentage of gross receipts of the ~~corporation~~

entity derived from rent, royalties, dividends, interest, and annuities. No pension or investment fund, limited partnership, ~~or~~ corporation, or limited liability company shall commence farming in this state until the commissioner of agriculture has inspected the report and certified that its proposed operations comply with the provisions of this section.

(b) Every pension or investment fund, limited partnership, ~~or~~ corporation, or limited liability company as described in clause (a) shall, prior to April 15 of each year, file with the commissioner of agriculture a report containing the information required in clause (a), based on its operations in the preceding calendar year and its status at the end of the year. A pension or investment fund, limited partnership, ~~or~~ corporation, or limited liability company that does not file the report by April 15 must pay a \$500 civil penalty. The penalty is a lien on the land being farmed under subdivision 3 until the penalty is paid.

(c) The commissioner or the commissioner's authorized representative may enter into a written agreement with a person required to file a report under this subdivision who, for good cause shown, has failed to make a timely filing. An agreement must be construed as a "no contest" pleading and may encompass a reduction or waiver of the civil penalty for late filing. The agreement is final and conclusive with respect to the civil penalty, except upon a showing of fraud or malfeasance or misrepresentation of a material fact. The matter agreed upon in the agreement may not be reopened or modified by an officer, employee, or agent of the state. The report required under paragraph (b) must be completed prior to a reduction or waiver under this paragraph. The commissioner may enter into an agreement under this paragraph only once for each person required to file under this subdivision. The commissioner may enter into an agreement under this paragraph only once for each corporation or partnership.

(d) Failure to file a required report, or the willful filing of false information, shall constitute a gross misdemeanor.

Sec. 37. Minnesota Statutes 1990, section 500.24, subdivision 5, is amended to read:

Subd. 5. [ENFORCEMENT.] With reason to believe that a corporation, limited liability company, limited partnership, or pension or investment fund is violating subdivision 3, the attorney general shall commence an action in the district court in which any agricultural lands relative to such violation are situated, or if situated in two or more counties, in any county in which a substantial part of the lands are situated. The attorney general shall file for record with the county recorder or the registrar of titles of each county in which any portion of said lands are located a notice of the pendency of the action as provided in section 557.02. If the court



finds that the lands in question are being held in violation of subdivision 3, it shall enter an order so declaring. The attorney general shall file for record any such order with the county recorder or the registrar of titles of each county in which any portion of said lands are located. Thereafter, the pension or investment fund, limited partnership, ~~or~~ corporation, or limited liability company owning such land shall have a period of five years from the date of such order to divest itself of such lands. The aforementioned five-year limitation period shall be deemed a covenant running with the title to the land against any grantee, assignee, or successor of the pension or investment fund, limited partnership, ~~or corporate grantee or assignee or the successor of such pension or investment fund, limited partnership,~~ or corporation, or limited liability company. Any lands not so divested within the time prescribed shall be sold at public sale in the manner prescribed by law for the foreclosure of a mortgage by action. In addition, any prospective or threatened violation may be enjoined by an action brought by the attorney general in the manner provided by law.

Sec. 38. Minnesota Statutes 1991 Supplement, section 500.24, subdivision 6, is amended to read:

Subd. 6. [DISPOSAL OF LAND.] (a) A state or federal agency, limited partnership, limited liability company, or a corporation may not lease or sell agricultural land or a farm homestead before offering or making a good faith effort to offer the land for sale or lease to the immediately preceding former owner at a price no higher than the highest price offered by a third party that is acceptable to the seller or lessor. The offer must be made on the notice to offer form under subdivision 7. The requirements of this subdivision do not apply to a sale or lease by a corporation that is a family farm corporation or an authorized farm corporation, to a lease or sale by a limited liability company that is a family farm limited liability company or an authorized farm limited liability company, or to a sale or lease by the commissioner of agriculture of property acquired by the state under the family farm security program under chapter 41. This subdivision applies only to a sale or lease when the seller or lessor acquired the property by enforcing a debt against the agricultural land or farm homestead, including foreclosure of a mortgage, accepting a deed in lieu of foreclosure, terminating a contract for deed, or accepting a deed in lieu of terminating a contract for deed. Selling or leasing property to a third party at a price is prima facie evidence that the price is acceptable to the seller or lessor. The seller must provide written notice to the immediately preceding former owner that the agricultural land or farm homestead will be offered for sale at least 14 days before the agricultural land or farm homestead is offered for sale.

(b) An immediately preceding former owner is the entity with record legal title to the agricultural land or farm homestead before acquisition by the state or federal agency or corporation or limited

liability company except: if the immediately preceding former owner is a bankruptcy estate, the debtor in bankruptcy is the immediately preceding former owner; and if the agricultural land or farm homestead was acquired by termination of a contract for deed or deed in lieu of termination of a contract for deed, the immediately preceding former owner is the purchaser under the contract for deed. For purposes of this subdivision, only a family farm, family farm corporation, family farm limited liability company, or family farm partnership can be an immediately preceding former owner.

(c) An immediately preceding former owner may elect to purchase or lease the entire property or an agreed to portion of the property. If the immediately preceding former owner elects to purchase or lease a portion of the property, the election must be reported in writing to the seller or lessor prior to the time the property is first offered for sale or lease. If election is made to purchase or lease a portion of the property, the portion must be contiguous and compact so that it does not unreasonably reduce access to or the value of the remaining property.

(d) For purposes of this subdivision, the term "a price no higher than the highest price offered by a third party" means the acceptable cash price offered by a third party or the acceptable time-price offer made by a third party. A cash price offer is one that involves simultaneous transfer of title for payment of the entire amount of the offer. If the acceptable offer made by a third party is a time-price offer, the seller or lessor must make the same time-price offer or an equivalent cash offer to the immediately preceding former owner. An equivalent cash offer is equal to the total of the payments made over a period of the time-price offer discounted by yield curve of the United States treasury notes and bonds of similar maturity on the first business day of the month in which the offer is personally delivered or mailed for time periods similar to the time period covered by the time-price offer, plus 2.0 percent. A time-price offer is an offer that is financed entirely or partially by the seller and includes an offer to purchase under a contract for deed or mortgage. An equivalent cash offer is not required to be made if the state participates in an offer to a third party through the rural finance authority.

(e) This subdivision applies to a seller when the property is sold and to a lessor each time the property is leased, for the time period specified in subdivision 3, paragraph (i), after the agricultural land is acquired except:

(1) an offer to lease to the immediately preceding former owner is required only until the immediately preceding owner fails to accept an offer to lease the property or the property is sold;

(2) an offer to sell to the immediately preceding former owner is required until the property is sold; and

(3) if the immediately preceding former owner elects to lease or purchase a portion of the property, this subdivision does not apply to the seller with regard to the balance of the property after the election is made under paragraph (c).

(f) The notice of an offer under subdivision 7 that is personally delivered with a signed receipt or sent by certified mail with a receipt of mailing to the immediately preceding former owner's last known address is a good faith offer.

(g) This subdivision does not apply to a sale or lease that occurs after the seller or lessor has held the property for the time period specified in subdivision 3, paragraph (i).

(h) For purposes of this subdivision, if the immediately preceding former owner is a bankruptcy estate the debtor in the bankruptcy is the immediately preceding owner.

(i) The immediately preceding former owner must exercise the right to lease all or a portion of the agricultural land or a homestead located on agricultural land in writing within 15 days after an offer to lease under this subdivision is mailed with a receipt of mailing or personally delivered. If election is made to lease only the homestead or a portion of the agricultural land, the portion to be leased must be clearly identified in writing. The immediately preceding former owner must exercise the right to buy the agricultural land, a portion of the agricultural land, or a farm homestead located on agricultural land, in writing, within 65 days after an offer to buy under this subdivision is mailed with a receipt of mailing or is personally delivered. Within ten days after exercising the right to lease or buy by accepting the offer, the immediately preceding owner must fully perform according to the terms of the offer including paying the amounts due. A seller may sell and a lessor may lease the agricultural land or farm homestead subject to this subdivision to the third party in accordance with their lease or purchase agreement if:

(1) the immediately preceding former owner does not accept an offer to lease or buy before the offer terminates; or

(2) the immediately preceding former owner does not perform the obligations of the offer, including paying the amounts due, within ten days after accepting the offer.

(j) A certificate indicating whether or not the property contains agricultural land or a farm homestead that is signed by the county assessor where the property is located and recorded in the office of the county recorder or the registrar of titles where the property is located is prima facie evidence of whether the property is agricultural land or a farm homestead.

(k) As prima facie evidence that an offer to sell or lease agricultural land or a farm homestead has terminated, a receipt of mailing the notice under subdivision 7 and an affidavit, signed by a person authorized to act on behalf of a state, federal agency, limited liability company, or corporation selling or leasing the agricultural land or a farm homestead may be filed in the office of the county recorder or registrar of titles of the county where the agricultural land or farm homestead is located. The affidavit must state that:

(1) notice of an offer to buy or lease the agricultural land or farm homestead was provided to the immediately preceding former owner at a price not higher than the highest price offered by a third party that is acceptable;

(2) the time during which the immediately preceding former owner is required to exercise the right to buy or lease the agricultural land or farm homestead has expired;

(3) the immediately preceding former owner has not exercised the right to buy or lease the agricultural land or farm homestead as provided in this subdivision or has accepted an offer and has not fully performed according to the terms of the offer; and

(4) the offer to the immediately preceding former owner has terminated.

(l) The right of an immediately preceding former owner to receive an offer to lease or purchase agricultural land under this subdivision or to lease or purchase at a price no higher than the highest price offered by a third party that is acceptable to the seller or lessor may be extinguished or limited by an express statement signed by the immediately preceding owner that complies with the plain language requirements of section 325G.31. The right may not be extinguished or limited except by:

(1) an express statement in a deed in lieu of foreclosure of the agricultural land;

(2) an express statement in a deed in lieu of a termination of a contract for deed for the agricultural land;

(3) an express statement conveying the right to the state or federal agency, limited liability company, or corporation owning the agricultural land that is required to make an offer under this subdivision; however, the preceding former owner may rescind the conveyance by notifying the state or federal agency, limited liability company, or corporation in writing within 20 calendar days after signing the express statement;

(4) to cure a title defect, an express statement conveying the right

may be made to a person to whom the agricultural land has been transferred by the state or federal agency, limited liability company, or corporation; or

(5) an express statement conveying the right to a contract for deed vendee to whom the agricultural land or farm homestead was sold under a contract for deed by the immediately preceding former owner if the express statement and the contract for deed are recorded.

(m) The right of an immediately preceding former owner to receive an offer to lease or purchase agricultural land under this subdivision may not be assigned or transferred except as provided in paragraph (l), but may be inherited.

(n) An immediately preceding former owner, except a former owner who is actively engaged in farming as defined in subdivision 2, paragraph (a), and who agrees to remain actively engaged in farming on a portion of the agricultural land or farm homestead for at least one year after accepting an offer under this subdivision, may not sell agricultural land acquired by accepting an offer under this subdivision if the arrangement of the sale was negotiated or agreed to prior to the former owner accepting the offer under this subdivision. A person who sells property in violation of this paragraph is liable for damages plus reasonable attorney fees to a person who is damaged by a sale in violation of this paragraph. There is a rebuttable presumption that a sale by an immediately preceding former owner is in violation of this paragraph if the sale takes place within 270 days of the former owner accepting the offer under this subdivision. This paragraph does not apply to a sale by an immediately preceding former owner to the owner's spouse, the owner's parents, the owner's sisters and brothers, the owner's spouse's sisters and brothers, or the owner's children.

Sec. 39. Minnesota Statutes 1990, section 500.24, subdivision 7, is amended to read:

Subd. 7. [NOTICE OF OFFER.] (a) The state, a federal agency, limited partnership, limited liability company, or a corporation subject to subdivision 6 must provide a notice of an offer to sell or lease agricultural land substantially as follows, after inserting the appropriate terms within the parentheses:

“NOTICE OF OFFER TO (LEASE, BUY) AGRICULTURAL  
LAND

TO: (...Immediately preceding former owner...)  
 FROM: (...The state, federal agency, limited partnership, limited liability company, or corporation subject to subdivision 6...)  
 DATE: (...date notice is mailed or personally delivered...)

(...The state, federal agency, limited partnership, limited liability company, or corporation...) HAS ACQUIRED THE AGRICULTURAL LAND DESCRIBED BELOW AND HAS RECEIVED AN ACCEPTABLE OFFER TO (LEASE, SELL) THE AGRICULTURAL LAND FROM ANOTHER PARTY. UNDER MINNESOTA STATUTES, SECTION 500.24, SUBDIVISION 6, AN OFFER FROM (...the state, federal agency, limited partnership, limited liability company, or corporation...) MUST BE MADE TO YOU AT A PRICE NO HIGHER THAN THE HIGHEST OFFER MADE BY ANOTHER PARTY.

THE AGRICULTURAL LAND BEING OFFERED CONTAINS APPROXIMATELY (...approximate number of acres...) ACRES AND IS INFORMALLY DESCRIBED AS FOLLOWS:

(Informal description of the agricultural land being offered that reasonably describes the land. This description does not need to be a legal description.)

(...The state, federal agency, limited partnership, limited liability company, or corporation...) OFFERS TO (SELL, LEASE) THE AGRICULTURAL LAND DESCRIBED ABOVE FOR A CASH PRICE OF \$(...cash price or equivalent cash price for lease and lease period, or cash price or equivalent cash price for sale of land...), WHICH IS NOT HIGHER THAN THE PRICE OFFERED BY ANOTHER PARTY. THE PRICE IS OFFERED ON THE FOLLOWING TERMS:

(Terms, if any, of acceptable offer)

IF YOU WANT TO ACCEPT THIS OFFER YOU MUST NOTIFY (...the state, federal agency, limited partnership, limited liability company, or corporation...) IN WRITING THAT YOU ACCEPT THE OFFER OR SIGN UNDERNEATH THE FOLLOWING PARAGRAPH AND RETURN A COPY OF THIS NOTICE BY (15 for a lease, 65 for a sale) DAYS AFTER THIS NOTICE IS PERSONALLY DELIVERED OR MAILED TO YOU. THE OFFER IN THIS NOTICE TERMINATES ON (...date of termination - 15 days for lease and 65 days for sale after date of mailing or personal delivery...).

#### ACCEPTANCE OF OFFER

I ACCEPT THE OFFER TO (BUY, LEASE) THE AGRICULTURAL LAND DESCRIBED ABOVE AT THE PRICE OFFERED TO ME IN THIS NOTICE. AS PART OF ACCEPTING THIS OFFER I WILL PERFORM ACCORDING TO THE TERMS OF THE OFFER, INCLUDING MAKING PAYMENTS DUE UNDER THE OFFER, WITHIN TEN DAYS AFTER THE DATE I ACCEPT THIS OFFER. I UNDERSTAND THAT NEGOTIATING OR AGREEING TO AN ARRANGEMENT TO SELL THE AGRICULTURAL LAND

TO ANOTHER PERSON PRIOR TO ACCEPTING THIS OFFER MAY BE A VIOLATION OF LAW AND I MAY BE LIABLE TO A PERSON DAMAGED BY THE SALE.

.....  
Signature of Former Owner Accepting Offer

.....  
Date”

(b) For an offer to sell, a copy of the purchase agreement containing the price and terms of the highest offer made by a third party that is acceptable to the seller and a signed affidavit by the seller affirming that the purchase agreement is true, accurate, and made in good faith must be included with the notice under this subdivision. At the seller’s discretion, reference to the third party’s identity may be deleted from the copy of the purchase agreement.

(c) For an offer to lease, a copy of the lease containing the price and terms of the highest offer made by a third party that is acceptable to the lessor and a signed affidavit by the lessor affirming that the lease is true, accurate, and made in good faith must be included with the notice under this subdivision. At the lessor’s discretion, reference to the third party’s identity may be deleted from the copy of the lease agreement.

(d) The affidavit under paragraphs (b) and (c) is subject to section 609.48.

Sec. 40. Minnesota Statutes 1990, section 550.366, subdivision 1, is amended to read:

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

(a) [AGRICULTURAL PROPERTY.] “Agricultural property” means personal property that is used in a farm operation.

(b) [FARM DEBTOR.] “Farm debtor” means a person who has incurred debt while in the operation of a family farm, a family farm corporation, ~~or~~ an authorized farm corporation, a family farm limited liability company, or an authorized farm limited liability company, as defined in section 500.24, subdivision 2.

Sec. 41. Minnesota Statutes 1990, section 551.06, subdivision 2, is amended to read:

Subd. 2. [DEFINITIONS.] For purposes of this section, the following terms have the meanings given them:

(a) "earnings" means:

(1) compensation paid or payable to an employee for personal service whether denominated as wages, salary, commissions, bonus, or otherwise, and includes periodic payments pursuant to a pension or retirement program; or

(2) compensation paid or payable to the producer for the sale of agricultural products; livestock or livestock products; milk or milk products; or fruit or other horticultural products produced when the producer is operating a family farm, a family farm corporation, ~~or~~ an authorized farm corporation, a family farm limited liability company, or an authorized farm limited liability company, as defined in section 500.24, subdivision 2;

(b) "disposable earnings" means that part of the earnings of an individual remaining after the deduction from those earnings of amounts required by law to be withheld;

(c) "employee" means an individual who performs services subject to the right of the employer to control both what is done and how it is done; and

(d) "employer" means a person for whom an individual performs services as an employee.

Sec. 42. Minnesota Statutes 1990, section 551.06, subdivision 9, is amended to read:

Subd. 9. [NOTICE OF LEVY ON EARNINGS, DISCLOSURE, AND WORKSHEET.] The attorney for the judgment creditor shall serve upon the judgment debtor's employer a notice of levy on earnings and an execution earnings disclosure form and an earnings disclosure worksheet with the writ of execution, that must be substantially in the form set forth below.

STATE OF MINNESOTA  
COUNTY OF .....

DISTRICT COURT  
..... JUDICIAL DISTRICT  
FILE NO. ....

.....(Judgment Creditor)  
against

NOTICE OF LEVY ON  
EARNINGS AND DISCLOSURE

.....(Judgment Debtor)  
and

.....(Third Party)

PLEASE TAKE NOTICE that pursuant to Minnesota Statutes, sections 551.04 and 551.06, the undersigned, as attorney for the judgment creditor, hereby makes demand and levies execution upon all earnings due and owing by you (up to \$5,000) to the judgment debtor for the amount of the judgment specified below. A copy of the



writ of execution issued by the court is enclosed. The unpaid judgment balance is \$.....

This levy attaches all unpaid nonexempt disposable earnings owing or to be owed by you and earned or to be earned by the judgment debtor before and within the pay period in which the writ of execution is served and within all subsequent pay periods whose paydays occur within the 70 days after the service of this levy.

In responding to this levy, you are to complete the attached disclosure form and worksheet and mail it to the undersigned attorney for the judgment creditor, together with your check payable to the above-named judgment creditor, for the nonexempt amount owed by you to the judgment debtor or for which you are obligated to the judgment debtor, within the time limits set forth in the aforementioned statutes.

.....  
Attorney for the Judgment Creditor  
.....  
.....  
.....  
Address  
(...) .....  
Phone Number

DISCLOSURE  
DEFINITIONS

“EARNINGS”: For the purpose of execution, “earnings” means compensation paid or payable to an employee for personal services or compensation paid or payable to the producer for the sale of agricultural products; milk or milk products; or fruit or other horticultural products produced when the producer is operating a family farm, a family farm corporation, ~~or~~ an authorized farm corporation, a family farm limited liability company, or an authorized farm limited liability company, as defined in section 500.24, subdivision 2, whether denominated as wages, salary, commission, bonus, or otherwise, and includes periodic payments pursuant to a pension or retirement.

“DISPOSABLE EARNINGS”: Means that part of the earnings of an individual remaining after the deduction from those earnings of amounts required by law to be withheld. (Amounts required by law to be withheld do not include items such as health insurance, charitable contributions, or other voluntary wage deductions.)

“PAYDAY”: For the purpose of execution, “payday(s)” means the date(s) upon which the employer pays earnings to the judgment debtor in the ordinary course of business. If the judgment debtor has

no regular payday, payday(s) means the 15th and the last day of each month.

**THE THIRD PARTY/EMPLOYER MUST ANSWER THE FOLLOWING QUESTIONS:**

1. Do you now owe, or within 70 days from the date the execution levy was served on you, will you or may you owe money to the judgment debtor for earnings?

Yes ..... No .....

2. Does the judgment debtor earn more than \$... per week? (This amount is the federal minimum wage per week.)

Yes ..... No .....

**INSTRUCTIONS FOR COMPLETING THE EARNINGS DISCLOSURE**

A. If your answer to either question 1 or 2 is "No," then you must sign the affirmation on page 2 and return this disclosure to the judgment creditor's attorney within 20 days after it was served on you, and you do not need to answer the remaining questions.

B. If your answers to both questions 1 and 2 are "Yes," you must complete this form and the Earnings Disclosure Worksheet as follows:

For each payday that falls within 70 days from the date the execution levy was served on you, YOU MUST calculate the amount of earnings to be retained by completing steps 3 through 11 on page 2, and enter the amounts on the Earnings Disclosure Worksheet. UPON REQUEST, THE EMPLOYER MUST PROVIDE THE DEBTOR WITH INFORMATION AS TO HOW THE CALCULATIONS REQUIRED BY THIS DISCLOSURE WERE MADE.

Each payday, you must retain the amount of earnings listed in column I on the Earnings Disclosure Worksheet.

You must pay the attached earnings and return this Earnings Disclosure Form and the Earnings Disclosure Worksheet to the judgment creditor's attorney and deliver a copy to the judgment debtor within ten days after the last payday that falls within the 70-day period.

If the judgment is wholly satisfied or if the judgment debtor's

employment ends before the expiration of the 70-day period, your disclosure and remittance should be made within ten days after the last payday for which earnings were attached.

For steps 3 through 11, "columns" refers to columns on the Earnings Disclosure Worksheet.

3. COLUMN A. Enter the date of judgment debtor's payday.
4. COLUMN B. Enter judgment debtor's gross earnings for each payday.
5. COLUMN C. Enter judgment debtor's disposable earnings for each payday.
6. COLUMN D. Enter 25 percent of disposable earnings. (Multiply Column C by .25.)
7. COLUMN E. Enter here 40 times the hourly federal minimum wage (\$...) times the number of work weeks included in each payday. (Note: If a pay period includes days in excess of whole work weeks, the additional days should be counted as a fraction of a work week equal to the number of work days in excess of a whole work week divided by the number of work days in a normal work week.)
8. COLUMN F. Subtract the amount in Column E from the amount in Column C, and enter here.
9. COLUMN G. Enter here the lesser of the amount in Column D and the amount in Column F.
10. COLUMN H. Enter here any amount claimed by you as a setoff, defense, lien, or claim, or any amount claimed by any other person as an exemption or adverse interest which would reduce the amount of earnings owing to the judgment debtor. (Note: Any indebtedness to you incurred within ten days prior to your receipt of the first execution levy on a debt may not be set off against the earnings otherwise subject to this levy. Any wage assignment made by the judgment debtor within ten days prior to your receipt of the first execution levy on a debt is void.)

You must also describe your claim(s) and the claims of others, if known, in the space provided below the worksheet and state the name(s) and address(es) of these persons.

Enter zero in Column H if there are no claims by you or others which would reduce the amount of earnings owing to the judgment debtor.

11. COLUMN I.

Subtract the amount in Column H from the amount in Column G and enter here. This is the amount of earnings that you must retain for the pay-day for which the calculations were made. The total of all amounts entered in Column I is the amount to be remitted to the attorney for the judgment creditor.

AFFIRMATION

I, ..... (person signing Affirmation), am the third party/ employer or I am authorized by the third party/employer to complete this earnings disclosure, and have done so truthfully and to the best of my knowledge.

Dated: .....

Signature .....

Title .....

Telephone Number .....

EARNINGS DISCLOSURE WORKSHEET

.....  
Judgment Debtor's Name

A Payday Date	B Gross Earnings	C Disposable Earnings
1. ....	\$.....	\$.....
2. ....	.....	.....
3. ....	.....	.....
4. ....	.....	.....
5. ....	.....	.....
6. ....	.....	.....
7. ....	.....	.....
8. ....	.....	.....
9. ....	.....	.....
10. ....	.....	.....
D 25% of Column C	E 40 X Min. Wage	F Column C minus Column E
1. ....	.....	.....

2. ....	.....	.....
3. ....	.....	.....
4. ....	.....	.....
5. ....	.....	.....
6. ....	.....	.....
7. ....	.....	.....
8. ....	.....	.....
9. ....	.....	.....
10. ....	.....	.....

G Lesser of Column D and Column F	H Setoff, Lien, Adverse Interest, or Other Claims	I Column G minus Column H
1. ....	.....	.....
2. ....	.....	.....
3. ....	.....	.....
4. ....	.....	.....
5. ....	.....	.....
6. ....	.....	.....
7. ....	.....	.....
8. ....	.....	.....
9. ....	.....	.....
10. ....	.....	.....
<b>TOTAL OF COLUMN I</b>		<b>\$.....</b>

**\*If you entered any amount in Column H for any payday(s), you must describe below either your claims, or the claims of others. For amounts claimed by others, you must both state the names and addresses of these persons, and the nature of their claim, if known.**

.....  
 .....  
 .....

**AFFIRMATION**

I, ..... (person signing Affirmation), am the third party or I am authorized by the third party to complete this earnings disclosure worksheet, and have done so truthfully and to the best of my knowledge.

.....  
Title

Dated: ..... (.....)  
 Signature Phone Number

Sec. 43. Minnesota Statutes 1990, section 561.19, subdivision 1, is amended to read:

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

(a) "Agricultural operation" means a facility and its appurtenances for the production of crops, livestock, poultry, dairy products or poultry products, but not a facility primarily engaged in processing agricultural products.

(b) "Established date of operation" means the date on which the agricultural operation commenced. If the agricultural operation is subsequently expanded or significantly altered, the established date of operation for each expansion or alteration is deemed to be the date of commencement of the expanded or altered operation.

(c) "Family farm" means an unincorporated farm unit owned by one or more persons or spouses of persons related to each other within the third degree of kindred according to the rules of the civil law at least one of whom is residing or actively engaged in farming on the farm unit, or a "family farm corporation," or "family farm limited liability company," as ~~that term~~ is defined in section 500.24, subdivision 2.

Sec. 44. Minnesota Statutes 1991 Supplement, section 571.75, subdivision 2, is amended to read:

Subd. 2. [CONTENTS OF DISCLOSURE.] The disclosure must state:

(a) If an earnings garnishment disclosure, the amount of disposable earnings earned by the debtor within the debtor's pay periods as specified in section 571.921.

(b) If a nonearnings garnishment disclosure, a description of any personal property or any instrument or papers relating to this property belonging to the judgment debtor or in which the debtor is interested or other indebtedness of the garnishee to the debtor.

(c) If the garnishee asserts any setoff, defense, claim, or lien on disposable earnings, other indebtedness, money, or property, the garnishee shall disclose the amount and the facts concerning the same.

(d) Whether the debtor asserts any exemption, or any other objection, known to the garnishee against the right of the creditor to garnish the disposable earnings, other indebtedness, money, or property disclosed.

(e) If other persons assert claims to any disposable earnings, other indebtedness, money, or property disclosed, the garnishee shall disclose the names and addresses of these claimants and, so far as known by the garnishee, the nature of their claims.

(f) The garnishment disclosure forms and earnings disclosure worksheet must be the same or substantially similar to the following forms. If the garnishment affects earnings of the debtor, the creditor shall use the earnings garnishment disclosure form. If the garnishment affects any indebtedness, money, or property of the debtor, other than earnings, the creditor shall use the nonearnings garnishment disclosure form. Nothing contained in this paragraph limits the simultaneous use of the earnings and nonearnings garnishment disclosure forms.

EARNINGS DISCLOSURE FORM AND WORKSHEET

STATE OF MINNESOTA  
COUNTY OF .....  
.....(Creditor)  
.....(Debtor)  
.....(Garnishee)

DISTRICT COURT  
..... JUDICIAL DISTRICT  
  
GARNISHMENT  
EARNINGS DISCLOSURE

DEFINITIONS

“EARNINGS”: For the purpose of garnishment, “earnings” means compensation paid or payable to an employee for personal services or compensation paid or payable to the producer for the sale of agricultural products; milk or milk products; or fruit or other horticultural products produced when the producer is operating a family farm, a family farm corporation, ~~or an authorized farm corporation,~~ a family farm limited liability company, or an authorized farm limited liability company, as defined in section 500.24, subdivision 2, whether denominated as wages, salary, commission, bonus, or otherwise, and includes periodic payments pursuant to a pension or retirement.

“DISPOSABLE EARNINGS”: Means that part of the earnings of an individual remaining after the deduction from those earnings of amounts required by law to be withheld. (Amounts required by law to be withheld do not include items such as health insurance, charitable contributions, or other voluntary wage deductions.)

“PAYDAY”: For the purpose of garnishment, “payday(s)” means

the date(s) upon which the employer pays earnings to the debtor in the ordinary course of business. If the debtor has no regular payday, payday(s) means the fifteenth and the last day of each month.

**THE GARNISHEE MUST ANSWER THE FOLLOWING QUESTIONS:**

1. Do you now owe, or within 70 days from the date the garnishment summons was served on you, will you or do you expect to owe money to the debtor for earnings?

Yes ..... No .....

2. Does the debtor earn more than \$..... per week? (This amount is the federal minimum wage per week.)

Yes ..... No .....

**INSTRUCTIONS FOR COMPLETING THE  
EARNINGS DISCLOSURE**

A. If your answer to either question 1 or 2 is "No," then you must sign the affirmation on Page 2 and return this disclosure to the creditor's attorney (or the creditor if not represented by an attorney) within 20 days after it was served on you, and you do not need to answer the remaining questions.

B. If your answers to both questions 1 and 2 are "Yes," you must complete this form and the Earnings Disclosure Worksheet as follows:

For each payday that falls within 70 days from the date the garnishment summons was served on you, **YOU MUST** calculate the amount of earnings to be retained by completing Steps 3 through 11, and enter the amounts on the Earnings Disclosure Worksheet. **UPON REQUEST, THE EMPLOYER MUST PROVIDE THE DEBTOR WITH INFORMATION AS TO HOW THE CALCULATIONS REQUIRED BY THIS DISCLOSURE WERE MADE.**

Each payday, you must retain the amount of earnings listed in Column I on the Earnings Disclosure Worksheet.

You must return this Earnings Disclosure Form and the Earnings Disclosure Worksheet to the creditor's attorney (or the creditor if not represented by an attorney) and deliver a copy to the debtor within ten days after the last payday that falls within the 70-day period.

If the claim is wholly satisfied or if the debtor's employment



ends before the expiration of the 70-day period, your disclosure should be made within ten days after the last payday for which earnings were attached.

For Steps 3 through 11, "Columns" refers to columns on the Earnings Disclosure Worksheet.

3. COLUMN A. Enter the date of debtor's payday.
4. COLUMN B. Enter debtor's gross earnings for each payday.
5. COLUMN C. Enter debtor's disposable earnings for each payday.
6. COLUMN D. Enter 25 percent of disposable earnings. (Multiply Column C by .25.)
7. COLUMN E. Enter here 40 times the hourly federal minimum wage (\$....) times the number of work weeks included in each payday. (Note: If a pay period includes days in excess of whole work weeks, the additional days should be counted as a fraction of a work week equal to the number of work days in excess of a whole work week divided by the number of work days in a normal work week.)
8. COLUMN F. Subtract the amount in Column E from the amount in Column C, and enter here.
9. COLUMN G. Enter here the lesser of the amount in Column D and the amount in Column F.
10. COLUMN H. Enter here any amount claimed by you as a setoff, defense, lien, or claim, or any amount claimed by any other person as an exemption or adverse interest which would reduce the amount of earnings owing to the debtor. (Note: Any indebtedness to you incurred by the debtor within the ten days before the receipt of the first garnishment on a debt may not be set off against amounts otherwise subject to the garnishment. Any assignment of earnings made by the debtor to any party within ten days before the receipt of the first garnishment on a debt is void.)

You must also describe your claim(s) and the claims of others, if known, in the space provided below the worksheet and state the name(s) and address(es) of these persons.

Enter zero in Column H if there are no claims by you or others which would reduce the amount of earnings owing to the debtor.

11. COLUMN I. Subtract the amount in Column H from the amount in Column G and enter here. This is the amount of earnings that you must retain for the payday for which the calculations were made.

#### AFFIRMATION

I, ..... (person signing Affirmation), am the garnishee or

I am authorized by the garnishee to complete this earnings disclosure, and have done so truthfully and to the best of my knowledge.

Dated: .....  
Signature .....  
Title .....  
Telephone Number .....

EARNINGS DISCLOSURE WORKSHEET

Debtor's Name

A Payday Date	B Gross Earnings	C Disposable Earnings
1. ....	.....	.....
2. ....	.....	.....
3. ....	.....	.....
4. ....	.....	.....
5. ....	.....	.....
6. ....	.....	.....
7. ....	.....	.....
8. ....	.....	.....
9. ....	.....	.....
10. ....	.....	.....
D 25% of Column C	E 40 X Min. Wage	F Column C minus Column E
1. ....	.....	.....
2. ....	.....	.....
3. ....	.....	.....
4. ....	.....	.....
5. ....	.....	.....
6. ....	.....	.....
7. ....	.....	.....
8. ....	.....	.....
9. ....	.....	.....
10. ....	.....	.....
G Lesser of Column D and Column F	H Setoff, Lien, Adverse Interest, or Other Claims	I Column G minus Column H
1. ....	.....	.....

2. ....	.....	.....
3. ....	.....	.....
4. ....	.....	.....
5. ....	.....	.....
6. ....	.....	.....
7. ....	.....	.....
8. ....	.....	.....
9. ....	.....	.....
10. ....	.....	.....
	<b>TOTAL OF</b>	
	<b>COLUMN I</b>	<b>\$.....</b>

\*If you entered any amount in Column H for any payday(s), you must describe below either your claims, or the claims of others. For amounts claimed by others you must both state the names and addresses of these persons, and the nature of their claim, if known.

.....  
 .....  
 .....

**AFFIRMATION**

I, ..... (person signing Affirmation), am the third party or I am authorized by the third party to complete this earnings disclosure worksheet, and have done so truthfully and to the best of my knowledge.

Dated: .....

Signature .....

Title .....

Telephone Number (...) .....

**EARNINGS DISCLOSURE FORM AND WORKSHEET  
 FOR CHILD SUPPORT DEBTOR**

STATE OF MINNESOTA  
 COUNTY OF .....  
 .....(Creditor)  
 .....(Debtor)  
 .....(Garnishee)

DISTRICT COURT  
 ..... JUDICIAL DISTRICT  
  
 GARNISHMENT  
 EARNINGS DISCLOSURE

**DEFINITIONS**

“EARNINGS”: For the purpose of execution, “earnings” means

compensation paid or payable to an employee for personal services or compensation paid or payable to the producer for the sale of agricultural products; milk or milk products; or fruit or other horticultural products produced when the producer is operating a family farm, a family farm corporation, ~~or~~ an authorized farm corporation, a family farm limited liability company, or an authorized farm limited liability company, as defined in section 500.24, subdivision 2, whether denominated as wages, salary, commission, bonus, or otherwise, and includes periodic payments pursuant to a pension or retirement, workers' compensation, or unemployment compensation.

“DISPOSABLE EARNINGS”: Means that part of the earnings of an individual remaining after the deduction from those earnings of amounts required by law to be withheld. (Amounts required by law to be withheld do not include items such as health insurance, charitable contributions, or other voluntary wage deductions.)

“PAYDAY”: For the purpose of execution, “payday(s)” means the date(s) upon which the employer pays earnings to the debtor in the ordinary course of business. If the judgment debtor has no regular payday, payday(s) means the 15th and the last day of each month.

**THE GARNISHEE MUST ANSWER THE FOLLOWING QUESTION:**

(1) Do you now owe, or within 70 days from the date the execution levy was served on you, will you or may you owe money to the debtor for earnings?

.....      .....

Yes      No

**INSTRUCTIONS FOR COMPLETING  
THE EARNINGS DISCLOSURE**

A. If your answer to question 1 is “No,” then you must sign the affirmation below and return this disclosure to the creditor’s attorney (or the creditor if not represented by an attorney) within 20 days after it was served on you, and you do not need to answer the remaining questions.

B. If your answer to question 1 is “Yes,” you must complete this form and the Earnings Disclosure Worksheet as follows:

For each payday that falls within 70 days from the date the garnishment summons was served on you, YOU MUST calculate the amount of earnings to be retained by completing steps 2 through 8 on page 2, and enter the amounts on the Earnings Disclosure Worksheet. UPON REQUEST, THE EMPLOYER

**MUST PROVIDE THE DEBTOR WITH INFORMATION AS TO HOW THE CALCULATIONS REQUIRED BY THIS DISCLOSURE WERE MADE.**

Each payday, you must retain the amount of earnings listed in column G on the Earnings Disclosure Worksheet.

You must pay the attached earnings and return this earnings disclosure form and the Earnings Disclosure Worksheet to the creditor's attorney (or the creditor if not represented by an attorney) and deliver a copy to the debtor within ten days after the last payday that falls within the 70-day period. If the claim is wholly satisfied or if the debtor's employment ends before the expiration of the 70-day period, your disclosure should be made within ten days after the last payday for which earnings were attached.

For steps 2 through 8, "columns" refers to columns on the Earnings Disclosure Worksheet.

(2) COLUMN A. Enter the date of debtor's payday.

(3) COLUMN B. Enter debtor's gross earnings for each payday.

(4) COLUMN C. Enter debtor's disposable earnings for each payday.

(5) COLUMN D. Enter either 50, 55, 60, or 65 percent of disposable earnings, based on which of the following descriptions fits the child support judgment debtor:

(a) 50 percent of the judgment debtor's disposable income, if the judgment debtor is supporting a spouse or dependent child and the judgment is 12 weeks old or less (12 weeks to be calculated to the beginning of the work week in which the execution levy is received);

(b) 55 percent of the judgment debtor's disposable income, if the judgment debtor is supporting a spouse or dependent child, and the judgment is over 12 weeks old (12 weeks to be calculated to the beginning of the work week in which the execution levy is received);

(c) 60 percent of the judgment debtor's disposable income, if the judgment debtor is not supporting a spouse or dependent child and the judgment is 12 weeks old or less (12 weeks to be calculated to the beginning of the work week in which the execution levy is received);  
or

(d) 65 percent of the judgment debtor's disposable income, if the judgment debtor is not supporting a spouse or dependent child, and the judgment is over 12 weeks old (12 weeks to be calculated to the

beginning of the work week in which the execution levy is received). (Multiply column C by .50, .55, .60, or .65, as appropriate.)

(6) COLUMN E. Enter here any amount claimed by you as a setoff, defense, lien, or claim, or any amount claimed by any other person as an exemption or adverse interest that would reduce the amount of earnings owing to the debtor. (Note: Any assignment of earnings made by the debtor to any party within ten days before the receipt of the first garnishment on a debt is void. Any indebtedness to you incurred by the debtor within the ten days before the receipt of the first garnishment on a debt may not be set off against amounts otherwise subject to the garnishment.)

You must also describe your claim(s) and the claims of others, if known, in the space provided below the worksheet and state the name(s) and address(es) of these persons.

Enter zero in column E if there are no claims by you or others that would reduce the amount of earnings owing to the judgment debtor.

(7) COLUMN F. Subtract the amount in column E from the amount in column D and enter here. This is the amount of earnings that you must remit for the payday for which the calculations were made.

AFFIRMATION

I, ..... (person signing Affirmation), am the garnishee or I am authorized by the garnishee to complete this earnings disclosure, and have done so truthfully and to the best of my knowledge.

Dated: .....  
Signature  
Title  
Telephone Number

EARNINGS DISCLOSURE WORKSHEET

Debtor's Name

A Payday Date	B Gross Earnings	C Disposable Earnings
1. ....	\$.....	\$.....
2. ....	.....	.....
3. ....	.....	.....
4. ....	.....	.....
5. ....	.....	.....



.....(Creditor)

against

.....(Debtor)

NONEARNINGS DISCLOSURE

and

.....(Garnishee)

On the .... day of ....., 19.., the time of service of garnishment summons herein, there was due and owing the debtor from the garnishee the following:

(1) Money. Enter on the line below any amounts due and owing the debtor, except earnings, from the garnishee.

.....

(2) Property. Describe on the line below any personal property, instruments, or papers belonging to the debtor and in the possession of the garnishee.

.....

(3) Setoff. Enter on the line below the amount of any setoff, defense, lien, or claim which the garnishee claims against the amount set forth on lines (1) and (2) above. State the facts by which the setoff, defense, lien, or claim is claimed. (Any indebtedness to a garnishee incurred by the debtor within the ten days before the receipt of the first garnishment on a debt may not be set off against amounts otherwise subject to the garnishment.)

.....

(4) Exemption. Enter on the line below any amounts or property claimed by the debtor to be exempt from execution.

.....

(5) Adverse Interest. Enter on the line below any amounts claimed by other persons by reason of ownership or interest in the debtor's property.

.....

(6) Enter on the line below the total of lines (3), (4), and (5).

.....

(7) Enter on the line below the difference obtained (never less than zero) when line (6) is subtracted from the sum of lines (1) and (2).



.....  
(8) Enter on the line below 110 percent of the amount of the creditor's claim which remains unpaid.  
.....

.....  
(9) Enter on the line below the lesser of line (7) and line (8). Retain this amount only if it is \$10 or more.  
.....

**AFFIRMATION**

I, ..... (person signing Affirmation), am the garnishee or I am authorized by the garnishee to complete this nonearnings garnishment disclosure, and have done so truthfully and to the best of my knowledge.

Dated: .....  
Signature  
.....  
Title  
.....  
Telephone Number

Sec. 45. Minnesota Statutes 1990, section 571.921, is amended to read:

571.921 [DEFINITIONS.]

For purposes of sections 571.921 to 571.926, the following terms have the meanings given them:

(a) "Earnings" means:

(1) compensation paid or payable to an employee for personal service whether denominated as wages, salary, commissions, bonus, or otherwise, and includes periodic payments pursuant to a pension or retirement program; or

(2) compensation paid or payable to the producer for the sale of agricultural products; livestock or livestock products; milk or milk products; or fruit or other horticultural products produced when the producer is operating a family farm, a family farm corporation, ~~or~~ an authorized farm corporation, a family farm limited liability company, or an authorized farm limited liability company, as defined in section 500.24, subdivision 2.

(b) "Disposable earnings" means that part of the earnings of an individual remaining after the deduction from those earnings of amounts required by law to be withheld.

(c) "Employee" means an individual who performs services subject to the right of the employer to control both what is done and how it is done.

(d) "Employer" means a person for whom an individual performs services as an employee.

Sec. 46. Minnesota Statutes 1990, section 583.24, subdivision 2, is amended to read:

Subd. 2. [DEBTORS.] (a) Except as provided in paragraph (b) the farmer-lender mediation act applies to a debtor who is:

(1) a person operating a family farm as defined in section 500.24, subdivision 2;

(2) a family farm corporation as defined in section 500.24, subdivision 2; or

(3) an authorized farm corporation as defined in section 500.24, subdivision 2;

(4) a family farm limited liability company as defined in section 500.24, subdivision 2; or

(5) an authorized farm limited liability company as defined in section 500.24, subdivision 2.

(b) The farmer-lender mediation act does not apply to a debtor who owns and leases less than 60 acres if the debtor has less than \$20,000 in gross sales of agricultural products the preceding year."

Renumber the sections in Article 1

Page 16, line 34, delete "Subdivision 1. [SCOPE.]"

Page 17, line 20, delete "this" and insert "a member control"

Page 17, line 26, delete "this" and insert "a member control"

Page 18, line 15, delete "this" and insert "a member control"

Page 21, line 26, delete "OR LCC"

Page 21, line 27, delete "or 'LCC'"

Page 26, line 10, after "subdivision 1," insert "clause (5),"

Page 26, line 12, delete "and leaves the limited liability company with at least"

Page 26, line 13, delete "two remaining members"

Page 27, line 23, delete "must be" and insert "is"

Page 42, line 9, delete "this"

Page 42, line 22, delete "that" and insert "a"

Page 47, line 24, delete "must not be" and insert "is not"

Page 47, line 25, delete "must not be" and insert "is not"

Page 47, line 26, delete "must" and insert "may"

Page 51, line 17, delete "1" and insert "2"

Page 52, line 31, delete "the court places the individual in bankruptcy" and insert "an order for relief under the bankruptcy code is entered with respect to the member"

Page 53, line 18, delete "must" and insert "are to"

Page 54, line 6, delete "to be made"

Page 54, line 7, after "(1)" insert "to be made"

Page 54, line 8, after "(2)" insert "to be made"

Page 54, line 9, after "(3)" insert "to be made"

Page 54, line 13, after "(4)" insert "to be made"

Page 54, line 14, delete "and" and insert "or"

Page 54, line 15, after "(5)" insert "to be made"

Page 55, line 10, delete the colon and insert a semicolon

Page 58, line 4, delete "except"

Page 61, line 17, delete "this" and insert "the"

Page 66, line 15, delete ", clause (2)"

Page 66, line 35, delete "(2)" and insert "(1)"

Page 72, line 8, delete "must be accepted" and insert "is acceptable"

Page 73, line 31, delete "4" and insert "1"

Page 75, line 28, delete "should" and insert "must"

Page 81, line 9, delete "must" and insert "is to" and after "treated" insert "or considered"

Page 85, line 6, delete "(4)" and insert "(5)"

Page 85, line 10, delete "(4)" and insert "(5)"

Page 85, line 11, delete "(5)" and insert "(6)"

Page 85, line 24, delete "paragraph (b)" and insert "clause (1)"

Page 85, line 25, delete "(b)" and insert "(1)"

Page 94, line 22, delete "must" and insert "is to"

Page 95, line 15, delete "must consist" and insert "consists"

Page 101, line 11, delete "this" and insert "the"

Page 103, line 16, delete "must" and insert "may"

Page 104, line 34, delete "must not be" and insert "are not"

Page 106, line 33, before "These" insert "Each of"

Page 106, line 34, delete "have" and insert "has"

Page 113, line 20, delete "must"

Page 113, line 21, delete "not be" and insert "are not"

Page 117, line 10, after the period begin a new line and block left

Page 121, line 30, delete "it" and insert "real estate"

Page 125, line 7, delete "must be dissolved" and insert "dissolves"

Page 125, line 17, after "the" insert "occurrence of an event that terminates the continued membership of a member in the limited liability company, including"

Page 126, line 1, after the comma begin a new line and block left

Page 126, line 3, after "if" insert "(A) either"

Page 126, line 4, after "members" insert "or a new member is admitted as provided in section 322B.103," and after the first "and" insert "(B)"

Page 128, line 6, delete "must be" and insert "is"

Page 135, line 34, after the period insert "After the notice is filed"

Page 135, line 35, delete "after the notice is filed"

Page 139, line 5, delete the second "the" and insert "any"

Page 139, line 7, after "awarded" insert "by the court"

Page 149, line 13, delete "it," and insert "the proceeding"

Page 152, line 24, after "limited" insert "liability"

Amend the title as follows:

Page 1, line 20, after "sections" insert "116B.02, subdivision 2, and by adding a subdivision; 273.124, subdivision 8;"

Page 1, line 23, after "1;" insert "308A.311, subdivision 7, and by adding a subdivision;"

Page 1, line 29, delete "and" and after "1;" insert "500.24, subdivisions 2, 3a, 3b, 4, 5, and 7; 550.366, subdivision 1; 551.06, subdivisions 2 and 9; 561.19, subdivision 1; 571.921; and 583.24, subdivision 2;"

Page 1, line 31, delete "and" and after "1;" insert "500.24, subdivisions 3 and 6; and 571.75, subdivision 2;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 1934, A bill for an act relating to housing; modifying requirements for lead education, assessment, screening, and abatement; transferring rule authority from the commissioner of the pollution control agency to the commissioner of health; establishing a lead abatement account in the housing development fund; creating a lead abatement and training program; establishing a lead abatement program; creating a lead fund; establishing a lead abatement fee on petroleum storage tanks; establishing a paint tax; providing penalties; amending Minnesota Statutes 1990, sections 144.871, subdivisions 3, 6, 8, and by adding subdivisions; 144.872, subdivisions 1, 2, 3, 4, and by adding a subdivision; 144.873, subdivisions 2 and 3; 144.874, subdivision 4; 144.876; and 144.878, subdivision 2, and by adding a subdivision; 462A.21, by adding a subdivision; Minnesota Statutes 1991 Supplement, sections 144.871, subdivision 2; 144.873, subdivision 1; 144.874, subdivisions 1, 2, 3, and 12; 326.87, subdivision 1; and 462A.05, subdivision 15c; proposing coding for new law in Minnesota Statutes, chapters 115C; and 268; proposing coding for new law as Minnesota Statutes, chapter 297E; repealing Minnesota Statutes 1990, sections 116.51; 116.52; 116.53, subdivision 1; and 144.878, subdivision 4.

Reported the same back with the following amendments:

Page 2, line 25, delete the second "or"

Page 2, line 33, delete the period and insert "; or"

Page 2, after line 33, insert:

"(3) the priorities adopted by the commissioner under section 144.878, subdivision 2, shall apply to this subdivision."

Page 2, line 36, after "PREVENTION" insert "FOR TOXIC LEAD EXPOSURE" and after "prevention" insert "for toxic lead exposure"

Page 3, line 8, delete "or" and insert "and" and delete "violates" and insert "does not violate"

Page 3, lines 27 to 29, delete the new language

Page 3, line 31, strike everything after "children" and insert "to assure, at the time of a home assessment or following an abatement order, that a family will receive visits by public health nurses and community-based advocates specifically trained in lead cleanup and the health related aspects of lead exposure in their residence periodically throughout the abatement process or until the child's elevated blood lead level falls below ten micrograms of lead per deciliter. The purpose of the home visit is to provide information about safety measures, community resources, legal resources related to the abatement process, housing resources, nutrition, health"

follow-up materials, and methods to be followed before, during, and after the abatement process. If a family moves to a new residence temporarily, during the abatement process, services should be provided at the temporary residence whenever feasible. Boards of health are encouraged to link the service with other home visits a family may be receiving and to use neighborhood based programs which give priority to hiring neighborhood residents as community-based advocates."

Page 3, lines 32 to 36, strike the old language and delete the new language

Page 4, delete lines 1 to 6

Page 4, line 7, delete "toxic lead exposure." and delete the comma

Page 4, line 8, before "lead" insert "and" and after "cleanup" insert "information" and delete the comma

Page 4, line 14, strike everything after "shall" and insert "either conduct or contract with lead advocacy organizations or businesses, for a proactive lead education program to serve communities at high risk for toxic lead exposure to children in which a board of health does not have a contract with the commissioner for a proactive lead education strategy."

Page 4, lines 15 to 27, strike the old language and delete the new language

Page 5, line 34, after "to" insert "nonprofit"

Page 7, line 20, after the comma insert "as defined by the commissioner,"

Page 9, line 33, after "3" insert ", in cooperation with local housing agencies,"

Page 11, lines 19 to 21, delete the new language and insert "The commissioner shall adopt priorities for providing abatement services to areas defined to be at high risk for toxic lead exposure. In adopting priorities the commission shall consider the number of children and pregnant women diagnosed with elevated blood lead levels and the median concentration of lead in the soil. The commissioner shall give priority to: areas having the largest population of children and pregnant women having elevated blood lead levels; areas with the highest median soil lead concentration; and areas where it has been determined that there are large numbers of residences that have deteriorating paint."

Page 12, line 27, after "publishing" insert "initial" and after "of" insert "proposed"

Page 15, line 29, after "commissioner" insert "of health"

Page 16, line 11, after "commissioner" insert "of health"

Page 16, line 12, after the period insert "The committee expires June 30, 1993."

Page 21, line 11, delete "local"

Page 21, line 12, delete "boards of health" in both places and insert "community health boards" and after "giving" insert "75 percent of the"

Page 21, line 14, after "women" insert "and, at least 25 percent of the funds must be divided equally among all community health boards"

Page 21, after line 18, insert:

"(c) In expending funds under this program, the commissioner of health shall abide by the following requirements:

(1) no funds shall be spent for lead screening unless the board of health or grantee conforms to the analytical requirements specified in section 144.873, subdivision 3. The commissioner may make grants that include providing the appropriate analytical equipment in order to meet this condition;

(2) no money shall be provided to boards of health who issue abatement orders inconsistent with the rules promulgated under section 144.878; and

(3) before issuing a contract to boards of health who are not serving a city of the first class, the commissioner of health shall evaluate the need and cost effectiveness of contracting for sanitarian and public health nurse services to determine whether a contract grant should go to an individual board of health or to a group of boards of health through a shared service contract or should be performed by the commissioner. Nothing in this provision is designed to restrict grants for lead education or lead screening."

Page 21, line 23, after "material" insert "intended to be used as a coating,"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Environment and Natural Resources.

The report was adopted.



Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 1976, A bill for an act relating to Olmsted county; permitting certain exemptions for the conveyance of certain county property.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2017, A bill for an act relating to education; transferring powers and responsibilities for licensing private business, trade, and correspondence schools to the higher education coordinating board; appropriating money; amending Minnesota Statutes 1990, section 141.21, by adding a subdivision; repealing Minnesota Statutes 1990, section 141.21, subdivision 2.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 2029, A resolution memorializing Congress to refrain from imposing upon the states' constitutional authority to regulate traffic and motor vehicle safety within their respective boundaries, and specifically, to refrain from mandating the passage of state laws requiring the use of motorcycle helmets, safety belts, and child restraint systems.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 2030, A bill for an act relating to motor carriers; making

all persons who transport passengers for hire in intrastate commerce subject to rules of the commissioner of transportation on insurance and driver hours of service; amending Minnesota Statutes 1990, sections 221.031, by adding a subdivision; and 221.141, by adding a subdivision; Minnesota Statutes 1991 Supplement, section 221.025.

Reported the same back with the following amendments:

Page 3, line 7, before “A” insert “(a)”

Page 3, after line 11, insert:

“(b) This subdivision does not apply to:

(1) a local transit commission;

(2) a transit authority credited by law; or

(3) persons providing transportation:

(i) in a school bus as defined in section 169.01, subdivision 6;

(ii) in a commuter van;

(iii) in an authorized emergency vehicle as defined in section 169.01, subdivision 5;

(iv) in special transportation service certified by the commissioner under section 174.30;

(v) by a local transit commission, or by a transit authority created by law;

(vi) in a limousine the service of which is licensed by the commissioner under section 221.84; or

(vii) in a taxicab, if the fare for the transportation is determined by a meter inside the taxicab that measures the distance traveled and displays the fare accumulated.”

Page 3, line 16, after the period insert “This section does not apply to an entity or person included in section 221.031, subdivision 3b, paragraph (b).”

With the recommendation that when so amended the bill pass.

The report was adopted.

Murphy from the Committee on Energy to which was referred:

H. F. No. 2089, A bill for an act relating to energy; providing incentives for the use of renewable energy sources; providing property tax and sales and use tax exemptions for photovoltaic devices; amending Minnesota Statutes 1990, sections 216C.06, by adding a subdivision; and 297A.25, by adding a subdivision; Minnesota Statutes 1991 Supplement, section 272.02, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1990, section 216C.06, is amended by adding a subdivision to read:

Subd. 13. [PHOTOVOLTAIC DEVICE.] “Photovoltaic device” means a system of components that generates electricity from incident sunlight by means of the photovoltaic effect, whether or not the device is able to store the energy produced for later use.

Sec. 2. Minnesota Statutes 1991 Supplement, section 272.02, subdivision 1, is amended to read:

Subdivision 1. All property described in this section to the extent herein limited shall be exempt from taxation:

- (1) all public burying grounds;
- (2) all public schoolhouses;
- (3) all public hospitals;
- (4) all academies, colleges, and universities, and all seminaries of learning;
- (5) all churches, church property, and houses of worship;
- (6) institutions of purely public charity except parcels of property containing structures and the structures described in section 273.13, subdivision 25, paragraph (c), clauses (1), (2), and (3), or paragraph (d);
- (7) all public property exclusively used for any public purpose;
- (8) except for the taxable personal property enumerated below, all personal property and the property described in section 272.03, subdivision 1, paragraphs (c) and (d), shall be exempt.

The following personal property shall be taxable:

(a) personal property which is part of an electric generating, transmission, or distribution system or a pipeline system transporting or distributing water, gas, crude oil, or petroleum products or mains and pipes used in the distribution of steam or hot or chilled water for heating or cooling buildings and structures;

(b) railroad docks and wharves which are part of the operating property of a railroad company as defined in section 270.80;

(c) personal property defined in section 272.03, subdivision 2, clause (3);

(d) leasehold or other personal property interests which are taxed pursuant to section 272.01, subdivision 2; 273.124, subdivision 7; or 273.19, subdivision 1; or any other law providing the property is taxable as if the lessee or user were the fee owner;

(e) manufactured homes and sectional structures; and

(f) flight property as defined in section 270.071.

(9) Personal property used primarily for the abatement and control of air, water, or land pollution to the extent that it is so used, and real property which is used primarily for abatement and control of air, water, or land pollution as part of an agricultural operation, as a part of a centralized treatment and recovery facility operating under a permit issued by the Minnesota pollution control agency pursuant to chapters 115 and 116 and Minnesota Rules, parts 7001.0500 to 7001.0730, and 7045.0020 to 7045.1260, as a wastewater treatment facility and for the treatment, recovery, and stabilization of metals, oils, chemicals, water, sludges, or inorganic materials from hazardous industrial wastes, or as part of an electric generation system. For purposes of this clause, personal property includes ponderous machinery and equipment used in a business or production activity that at common law is considered real property.

Any taxpayer requesting exemption of all or a portion of any real property or any equipment or device, or part thereof, operated primarily for the control or abatement of air or water pollution shall file an application with the commissioner of revenue. The equipment or device shall meet standards, rules, or criteria prescribed by the Minnesota pollution control agency, and must be installed or operated in accordance with a permit or order issued by that agency. The Minnesota pollution control agency shall upon request of the commissioner furnish information or advice to the commissioner. On determining that property qualifies for exemption, the commissioner shall issue an order exempting the property from taxation. The equipment or device shall continue to be exempt from taxation as long as the permit issued by the Minnesota pollution control agency remains in effect.

(10) Wetlands. For purposes of this subdivision, "wetlands" means: (i) land described in section 103G.005, subdivision 18; (ii) land which is mostly under water, produces little if any income, and has no use except for wildlife or water conservation purposes, provided it is preserved in its natural condition and drainage of it would be legal, feasible, and economically practical for the production of livestock, dairy animals, poultry, fruit, vegetables, forage and grains, except wild rice; or (iii) land in a wetland preservation area under sections 103F.612 to 103F.616. "Wetlands" under items (i) and (ii) include adjacent land which is not suitable for agricultural purposes due to the presence of the wetlands, but do not include woody swamps containing shrubs or trees, wet meadows, meandered water, streams, rivers, and floodplains or river bottoms. Exemption of wetlands from taxation pursuant to this section shall not grant the public any additional or greater right of access to the wetlands or diminish any right of ownership to the wetlands.

(11) Native prairie. The commissioner of the department of natural resources shall determine lands in the state which are native prairie and shall notify the county assessor of each county in which the lands are located. Pasture land used for livestock grazing purposes shall not be considered native prairie for the purposes of this clause. Upon receipt of an application for the exemption provided in this clause for lands for which the assessor has no determination from the commissioner of natural resources, the assessor shall refer the application to the commissioner of natural resources who shall determine within 30 days whether the land is native prairie and notify the county assessor of the decision. Exemption of native prairie pursuant to this clause shall not grant the public any additional or greater right of access to the native prairie or diminish any right of ownership to it.

(12) Property used in a continuous program to provide emergency shelter for victims of domestic abuse, provided the organization that owns and sponsors the shelter is exempt from federal income taxation pursuant to section 501(c)(3) of the Internal Revenue Code of 1986, as amended through December 31, 1986, notwithstanding the fact that the sponsoring organization receives funding under section 8 of the United States Housing Act of 1937, as amended.

(13) If approved by the governing body of the municipality in which the property is located, property not exceeding one acre which is owned and operated by any senior citizen group or association of groups that in general limits membership to persons age 55 or older and is organized and operated exclusively for pleasure, recreation, and other nonprofit purposes, no part of the net earnings of which inures to the benefit of any private shareholders; provided the property is used primarily as a clubhouse, meeting facility, or recreational facility by the group or association and the property is not used for residential purposes on either a temporary or permanent basis.

(14) To the extent provided by section 295.44, real and personal property used or to be used primarily for the production of hydroelectric or hydromechanical power on a site owned by the state or a local governmental unit which is developed and operated pursuant to the provisions of section 103G.535.

(15) If approved by the governing body of the municipality in which the property is located, and if construction is commenced after June 30, 1983:

(a) a "direct satellite broadcasting facility" operated by a corporation licensed by the federal communications commission to provide direct satellite broadcasting services using direct broadcast satellites operating in the 12-ghz. band; and

(b) a "fixed satellite regional or national program service facility" operated by a corporation licensed by the federal communications commission to provide fixed satellite-transmitted regularly scheduled broadcasting services using satellites operating in the 6-ghz. band.

An exemption provided by clause (15) shall apply for a period not to exceed five years. When the facility no longer qualifies for exemption, it shall be placed on the assessment rolls as provided in subdivision 4. Before approving a tax exemption pursuant to this paragraph, the governing body of the municipality shall provide an opportunity to the members of the county board of commissioners of the county in which the facility is proposed to be located and the members of the school board of the school district in which the facility is proposed to be located to meet with the governing body. The governing body shall present to the members of those boards its estimate of the fiscal impact of the proposed property tax exemption. The tax exemption shall not be approved by the governing body until the county board of commissioners has presented its written comment on the proposal to the governing body or 30 days has passed from the date of the transmittal by the governing body to the board of the information on the fiscal impact, whichever occurs first.

(16) Real and personal property owned and operated by a private, nonprofit corporation exempt from federal income taxation pursuant to United States Code, title 26, section 501(c)(3), primarily used in the generation and distribution of hot water for heating buildings and structures.

(17) Notwithstanding section 273.19, state lands that are leased from the department of natural resources under section 92.46.

(18) Electric power distribution lines and their attachments and appurtenances, that are used primarily for supplying electricity to farmers at retail.

(19) Transitional housing facilities. "Transitional housing facility" means a facility that meets the following requirements. (i) It provides temporary housing to parents and children who are receiving AFDC or parents of children who are temporarily in foster care. (ii) It has the purpose of reuniting families and enabling parents to obtain self-sufficiency, advance their education, get job training, or become employed in jobs that provide a living wage. (iii) It provides support services such as child care, work readiness training, and career development counseling; and a self-sufficiency program with periodic monitoring of each resident's progress in completing the program's goals. (iv) It provides services to a resident of the facility for at least six months but no longer than three years, except residents enrolled in an educational or vocational institution or job training program. These residents may receive services during the time they are enrolled but in no event longer than four years. (v) It is sponsored by an organization that has received a grant under either section 256.7365 for the biennium ending June 30, 1989, or section 462A.07, subdivision 15, for the biennium ending June 30, 1991, for the purposes of providing the services in items (i) to (iv). (vi) It is sponsored by an organization that is exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code of 1986, as amended through December 31, 1987. This exemption applies notwithstanding the fact that the sponsoring organization receives financing by a direct federal loan or federally insured loan or a loan made by the Minnesota housing finance agency under the provisions of either Title II of the National Housing Act or the Minnesota housing finance agency law of 1971 or rules promulgated by the agency pursuant to it, and notwithstanding the fact that the sponsoring organization receives funding under Section 8 of the United States Housing Act of 1937, as amended.

(20) Real and personal property, including leasehold or other personal property interests, owned and operated by a corporation if more than 50 percent of the total voting power of the stock of the corporation is owned collectively by: (i) the board of regents of the University of Minnesota, (ii) the University of Minnesota Foundation, an organization exempt from federal income taxation under section 501(c)(3) of the Internal Revenue Code of 1986, as amended through December 31, 1990, and (iii) a corporation organized under chapter 317A, which by its articles of incorporation is prohibited from providing pecuniary gain to any person or entity other than the regents of the University of Minnesota; which property is used primarily to manage or provide goods, services, or facilities utilizing or relating to large-scale advanced scientific computing resources to the regents of the University of Minnesota and others.

(21) Wind energy conversion systems, as defined in section 216C.06, subdivision 12, installed after January 1, 1991, and used as an electric power source.

(22) Photovoltaic devices, as defined in section 1, installed after January 1, 1992, and used to produce or store electric power, or both.

Sec. 3. Minnesota Statutes 1990, section 297A.25, is amended by adding a subdivision to read:

Subd. 47. [PHOTOVOLTAIC DEVICES.] The gross receipts from the sale of photovoltaic devices, as defined in section 1, and the materials used to install, construct, repair, or replace them are exempt if the devices have been installed after January 1, 1992, and are used as an electric power source."

Delete the title and insert:

"A bill for an act relating to energy; providing incentives for the use of renewable energy sources; providing tax exemptions for photovoltaic devices; amending Minnesota Statutes 1990, sections 216C.06, by adding a subdivision; and 297A.25, by adding a subdivision; Minnesota Statutes 1991 Supplement, section 272.02, subdivision 1."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 2108, A bill for an act relating to agriculture; requiring certain events to sell Minnesota-grown or produced food and beverages; proposing coding for new law in Minnesota Statutes, chapter 17.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [17.111] [SALE OF FOOD AND BEVERAGES GROWN, PRODUCED, OR PREPARED IN MINNESOTA.]

Vendors participating in the event called "A Taste of Minnesota" may sell food and beverages on the grounds of the capitol complex if the food and beverages are grown or produced in Minnesota or the food is prepared by a Minnesota restaurant."

Delete the title and insert:

"A bill for an act relating to agriculture; requiring vendors at certain events to sell food and beverages grown, produced, or



prepared in Minnesota; proposing coding for new law in Minnesota Statutes, chapter 17.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2150, A bill for an act relating to waste management; defining postconsumer material; emphasizing and clarifying waste reduction; setting requirements for use of labels on products and packages indicating recycled content; amending provisions related to designation of waste; strengthening the requirement for pricing of waste collection based on volume or weight of waste collected; requiring recycled content in and recyclability of telephone directories and requiring recycling of waste directories; requiring labeling of rechargeable batteries; requiring studies on automobile waste, construction debris, and used motor oil; and making various other amendments and additions related to solid waste management; authorizing rulemaking; providing penalties; amending Minnesota Statutes 1990, sections 16B.121; 115.071, subdivision 1; 115A.03, subdivision 36a, and by adding subdivisions; 115A.07, by adding a subdivision; 115A.557, subdivision 3; 115A.63, subdivision 3; 115A.81, subdivision 2; 115A.93, by adding a subdivision; 115A.981; 325E.12; 325E.125, subdivision 1; and 473.844, subdivision 4; Minnesota Statutes 1991 Supplement, sections 16B.122, subdivision 2; 115A.02; 115A.15, subdivision 9; 115A.411, subdivision 1; 115A.83; 115A.9157, subdivision 5; 115A.93, subdivision 3; 115A.931; 325E.1251, subdivision 2; and 473.849; Laws 1991, chapter 337, section 90; proposing coding for new law in Minnesota Statutes, chapter 115A.

Reported the same back with the following amendments:

Page 3, after line 15, insert:

“Sec. 3. [16B.123] [PACKING MATERIALS.]

A public entity shall purchase, use, and require its contractors to use loose packing material made of renewable resources that minimize environmental burdens and energy consumption in their manufacture, use, and recycling, processing, or disposal, unless the cost of the packing material made of renewable resources is more than ten percent greater than the cost of packing material made of nonrenewable resources. For the purposes of this section, “packing material” means material, other than an exterior packaging shell,

that is used to stabilize, protect, cushion, or brace the contents of a package.”

Page 5, line 11, after “units,” insert “representatives of the waste management industry,”

Page 8, line 8, after “that” insert “have not been aggregated by the generator with other solid waste and”

Page 9, after line 2, insert:

“Sec. 18. Minnesota Statutes 1990, section 115A.87, is amended to read:

115A.87 [JUDICIAL REVIEW.]

An action challenging a designation must be brought within 60 days of the approval of the designation by the reviewing authority. The action is subject to section 562.02.

In any action challenging a designation ordinance or the implementation of a designation ordinance, the person bringing the challenge shall notify the attorney general. The attorney general may intervene in any administrative or court action to represent the state’s interest in designation of solid waste.”

Page 9, line 31, delete everything after “shall” and insert “determine a base unit size for an average small quantity household generator and establish, or require the licensee to establish, a multiple unit pricing system that ensures that amounts of waste generated in excess of the base unit amount are priced higher than the base unit price.”

Page 9, delete lines 32 and 33

Page 10, line 7, delete everything after “shall” and insert “determine a base unit size for an average small quantity household generator and establish a multiple unit pricing system that ensures that amounts of waste generated in excess of the base unit amount are priced higher than the base unit price.”

Page 10, delete line 8

Page 13, after line 24, insert:

“Sec. 26. [115A.992] [LITTER; LOOSE FOAM POLYSTYRENE PACKING MATERIALS; BAN.]

Subdivision 1. [LEGISLATIVE FINDINGS.] The legislature finds that loose foam polystyrene packing material is a litter problem in the state and that it is harmful to animals and the environment,

costly to clean up, and unsightly. The legislature further finds that loose foam polystyrene packing material is nondegradable and is manufactured from nonrenewable resources; and that similar loose foam packing material can be manufactured from vegetable starches that are renewable, degradable, cause no harm to animals or the environment, and incur no cleanup costs.

Subd. 2. [DEFINITION.] For the purposes of this section, "loose foam polystyrene packing material" means packing made primarily from polystyrene that consists of loose particles intended to fill space and cushion a packaged article in a shipping or display container.

Subd. 3. [BAN.] A person may not use loose foam polystyrene packing material or place loose foam polystyrene packing material in or on the land, in the solid waste stream, or in any waste management facility in the state."

Page 14, after line 16, insert:

"Sec. 30. [325E.39] [SALE OF PETROLEUM-BASED SWEEPING COMPOUND PRODUCTS PROHIBITED.]

Subdivision 1. [PROHIBITION.] A person may not offer for sale or sell any sweeping compound product containing petroleum oil.

Subd. 2. [PENALTY.] A person who violates this section is guilty of a misdemeanor."

Page 17, delete line 4, and insert:

"Sections 12, 13, 20, 22, subdivision 1, and 24, subdivision"

Page 17, line 6, delete "13" and insert "14"

Page 17, line 8, delete "19 and 20" and insert "21 and 22"

Page 17, line 10, delete "22" and insert "24"

Page 17, after line 11, insert:

"Section 26 is effective August 1, 1995.

Section 30 is effective January 1, 1993."

Page 17, line 12, delete "29" and insert "33"

Renumber the sections in sequence

Correct internal references

Amend the title as follows:

Page 1, line 11, after the semicolon insert “prohibiting the use of loose foam polystyrene packing materials and petroleum-based sweeping compound products;”

Page 1, line 21, after the semicolon insert “115A.87;”

Page 1, line 29, delete “chapter” and insert “chapters 16B;” and before the period insert “; and 325E”

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2170, A bill for an act relating to the environment; petrofund; providing that bonds or insurance must be provided by persons bidding on or performing corrective actions; proposing coding for new law in Minnesota Statutes, chapter 115C.

Reported the same back with the following amendments:

Page 1, line 10, delete “the state or”

Page 1, line 11, delete “as appropriate,”

Page 1, line 17, delete “the”

Page 1, line 18, delete “state or” and delete “as appropriate,”

Page 2, lines 10 and 11, delete “environmental impairment insurance or pollution legal liability” and insert “errors and omissions”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Commerce.

The report was adopted.

Osthoff from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 2272, A bill for an act relating to elections; suspending certain provisions relating to campaign contributions and public subsidies as they relate to major political parties; requiring major political parties to certify their compliance with apportionment and delegate selection requirements; proposing coding for new law in Minnesota Statutes, chapter 10A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [10A.55] [TEMPORARY SUSPENSION.]

(a) The following provisions are not in effect as they relate to donations and public subsidies to political parties whose candidates will appear on the presidential primary ballot under section 207A.02:

(1) section 10A.322, subdivision 4, to the extent it allows a political party to receive official refund receipt forms from the ethical practices board;

(2) sections 10A.322 and 290.06, subdivision 23, to the extent they allow a political party to issue an official refund receipt form to a taxpayer;

(3) section 290.06, subdivision 23, to the extent it allows a taxpayer to receive a political contribution refund for a donation to a political party; and

(4) section 10A.31, subdivision 5, as it relates to allocations to political parties.

(b) The chair of each political party whose candidates appear on the presidential primary ballot may certify to the secretary of state no later than March 15, 1992, and every four years thereafter that the party will comply with section 207A.06. The certificate must be in the form of a sworn affidavit acknowledged by a notary public. A party that makes the certification allowed in this paragraph but fails to comply with section 207A.06, must be treated as if it failed to make the certification allowed in this paragraph. After a party certifies that it will comply with section 207A.06, the secretary of state shall certify to the board and the commissioner of revenue that the provisions in paragraph (a), clauses (1) to (4), do not apply to the party for four years.

Sec. 2. Minnesota Statutes 1990, section 207A.06, subdivision 3, is amended to read:

Subd. 3. [DELEGATE VOTES.] At the national convention, delegates chosen because of their support for a presidential candidate shall vote for that candidate on the first ballot, unless they have been released from that obligation by the candidate. ~~This subdivision does not apply to delegates to the extent that it is inconsistent with the rules of the national party or state party.~~

Sec. 3. [EFFECTIVE DATE.]

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

Delete the title and insert:

"A bill for an act relating to elections; suspending certain provisions relating to campaign contributions and public subsidies as they relate to major political parties; allowing major political parties to certify their compliance with apportionment and delegate selection requirements; amending Minnesota Statutes 1990, section 207A.06, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 10A."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Murphy from the Committee on Energy to which was referred:

H. F. No. 2296, A bill for an act relating to utilities; energy conservation improvements; permitting regulated utilities to count expenditures on energy conservation by certain large industrial customers toward the utilities' required expenditures on energy conservation improvements; amending Minnesota Statutes 1991 Supplement, section 216B.241, subdivisions 1a and 2.

Reported the same back with the following amendments:

Page 2, line 18, after "achieve" insert "up to a 75 percent offset against"

Page 3, line 3, delete "over the previous ten years" and insert "during the three years prior to the year in which the customer's investment or spending is counted by the utility"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Regulated Industries.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 2355, A bill for an act relating to motor carriers; regulating courier services carriers and local cartage carriers; amending Minnesota Statutes 1990, section 221.011, subdivisions 25, 28, and by adding a subdivision.

Reported the same back with the following amendments:

Page 2, after line 12, insert:

“Courier service carriers must maintain accurate records of each shipment picked up and delivered, including (1) time of the request for service, (2) time of the pickup, (3) time of delivery, (4) weight of the shipment, and (5) the specific vehicle or vehicles used to transport the shipment.”

Page 2, delete sections 2 and 3

Amend the title as follows:

Page 1, line 2, delete “and local cartage carriers”

Page 1, line 4, delete “subdivisions” and insert “subdivision 25.”

Page 1, delete line 5

With the recommendation that when so amended the bill pass.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 2368, A bill for an act relating to motor carriers; providing for the expiration of certificates and permits as regular and irregular route carriers of property, and for their conversion to class I certificates and class II permits; specifying operating authority granted by each class; restricting transfer of certain operating

authority; prohibiting the lease of class I certificates and class II permits; specifying service that may be offered by courier service carriers; redefining the local cartage zone; increasing registration fees for vehicles of motor carriers; appropriating money; amending Minnesota Statutes 1990, sections 168.013, subdivision 1e; 221.011, subdivisions 7, 8, 9, 14, 25, 28, and by adding subdivisions; 221.036, subdivision 1; 221.041; 221.051; 221.061; 221.071, subdivision 1; 221.081; 221.111; 221.121, subdivisions 1, 6, 6a, and by adding subdivisions; 221.131, subdivisions 2 and 3; 221.141, subdivision 4; and 221.151, subdivision 1, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 221; repealing Minnesota Statutes 1990, section 221.011, subdivisions 11 and 17.

Reported the same back with the following amendments:

Page 5, delete lines 16 to 20 and insert:

“Subd. 33. [TRUCKLOAD FREIGHT.] “Truckload freight” means freight collected by a motor carrier (1) from one consignor at a place under the consignor’s control and delivered directly to one or more consignees at a place or places under the consignees’ control, or (2) from one or more consignors at a place or places under the consignors’ control and delivered directly to one consignee at a place under the consignee’s control.”

Page 6, line 12, delete “and” and insert “or”

Page 11, line 4, after the period insert “For purposes of this section, utilization of a local cartage carrier by a class I carrier constitutes ownership, lease, or control of a terminal.”

Page 14, line 17, delete “transportation” and insert “delivery to the consignee”

Page 15, line 20, after the comma insert “(1)”

Page 15, line 21, after “terminal” insert “, and (2) “terminal” does not include a terminal used by a permit holder who also holds a class I certificate for the unloading, docking, handling, and storage of freight transported under the certificate”

Page 20, line 19, before “The” insert “Except as provided in subdivision 3, paragraph (b),”

Page 20, line 35, before “By” insert “(a)”

Page 21, line 18, delete “1993” and insert “1992”

Page 21, line 20, delete “1993” and insert “1992, or a later date as determined under paragraph (b)”



Page 21, after line 20, insert:

“(b) The board may determine that a conversion of a certificate or permit under this subdivision requires a longer period of deliberation than that provided in paragraph (a). In such a case the board may prescribe a date (1) on which a class I certificate or class II permit becomes effective, (2) on which the application for conversion becomes effective unless denied by the board, and (3) on which the certificate or permit being converted expires. The board may not prescribe a date under clauses (1) to (3) that is later than June 30, 1993.”

Page 21, line 21, delete “LIMITS ON”

Page 22, line 1, delete “II” and insert “II-L”

Page 22, after line 4, insert:

“(d) When a person who had been issued before January 1, 1993, an irregular route common carrier permit with authority to transport household goods applies for conversion of that permit to a class II permit under subdivision 3, the board shall issue the applicant, along with a class II permit, a household goods mover permit with the same operating authority to transport household goods as was granted under the person’s irregular route common carrier permit.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2381, A bill for an act relating to state land; authorizing private sale of certain land in Washington county; authorizing environmental cleanup of the land; authorizing alteration of marginal lands.

Reported the same back with the following amendments:

Page 1, line 9, after “Notwithstanding” insert “the public sale provisions of”

With the recommendation that when so amended the bill pass.

The report was adopted.

Clark from the Committee on Housing to which was referred:

H. F. No. 2497, A bill for an act relating to housing; increasing the debt ceiling of the Minnesota housing finance agency; amending Minnesota Statutes 1990, section 462A.22, subdivision 1.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Clark from the Committee on Housing to which was referred:

H. F. No. 2501, A bill for an act relating to housing; modifying provisions of rehabilitation loans, lease-purchase housing, and urban and rural homesteading; limiting use of emergency rules; modifying limitations on the use of bond proceeds; modifying provisions of publicly-owned transitional housing program; modifying provisions for neighborhood land trusts; amending Minnesota Statutes 1990, sections 462A.05, subdivision 14a; 462A.06, subdivision 11; and 462A.202, subdivision 2; Minnesota Statutes 1991 Supplement, sections 462A.05, subdivision 36; 462A.073, subdivision 2; and 462A.30, subdivisions 6 and 9; repealing Minnesota Statutes 1990, section 462A.057, subdivisions 2, 3, 4, 5, 6, 7, 8, 9, and 10; and Laws 1991, chapter 292, article 9, section 35.

Reported the same back with the following amendments:

Page 3, after line 4, insert:

“Sec. 3. Minnesota Statutes 1991 Supplement, section 462A.05, subdivision 37, is amended to read:

Subd. 37. [BLIGHTED RESIDENTIAL PROPERTY ACQUISITION AND REHABILITATION; NEIGHBORHOOD LAND TRUST.] The agency may make grants to cities for the purpose of acquisition and demolition of blighted residential property and gap financing for the rehabilitation of blighted residential property or construction of new housing on the property. Gap financing is financing for the difference between the cost of the improvement of the blighted property, including acquisition, demolition, rehabilitation, and construction, and the market value of the property upon sale. Grants under this section must be used for households with income less than or equal to the county or area median income as determined by the United States Department of Housing and Urban Development. Cities may use the grants to establish revolving loan funds and provide loans and grants to eligible mortgagors for the acquisition, demolition, redevelopment, and rehabilitation of

blighted residential property located in a neighborhood designated by the city for neighborhood preservation. The city may determine the terms and conditions of the loans and grants. The agency may make grants or loans to statutory or home rule charter cities, counties, housing and redevelopment authorities, economic development authorities, and nonprofit organizations for the purpose of organizing or funding neighborhood land trust projects. If a grant is made out of the bond proceeds fund, it may only be made to a city, county, housing and redevelopment authority, or an economic development authority. The projects must assure the long-term affordability of neighborhood housing by maintaining ownership of the land through a 6s neighborhood land trust."

Page 4, line 18, after "properties" insert "or the acquisition, site improvement, and development of new properties"

Page 4, line 26, after "property" insert "or the part thereof financed under this subdivision"

Page 5, after line 17, insert:

"Sec. 8. Minnesota Statutes 1991 Supplement, section 462A.30, subdivision 8, is amended to read:

Subd. 8. [NEIGHBORHOOD LAND TRUST.] "Neighborhood land trust" means:

(1) a nonprofit corporation organized under chapter 317A that complies with section 462A.31 and that qualifies for tax exempt status under United States Code, title 26, section 501(c)(3); and; or

(2) a home rule charter or statutory city, a county, a housing and redevelopment authority, or an economic development authority;

that meets all other criteria for neighborhood land trust trusts set by the agency."

Page 5, after line 26, insert:

"Sec. 10. Minnesota Statutes 1991 Supplement, section 462A.31, is amended by adding a subdivision to read:

Subd. 6. [CITY, COUNTY, OR HOUSING OR ECONOMIC DEVELOPMENT AUTHORITY.] A home rule charter or statutory city, a county, a housing and redevelopment authority, or an economic development authority may act as a neighborhood land trust with the powers and duties described in subdivisions 1 to 5. A ground lease in which the city, county, or authority is the lessor may provide that lease payments will be for a nominal amount and must provide that the maximum term of a lease is 60 years.

Sec. 11. Minnesota Statutes 1991 Supplement, section 462A.31, is amended by adding a subdivision to read:

Subd. 7. [RECORDING OF GROUND LEASE.] Any ground lease held by a neighborhood land trust shall include the legal description of the real property subject to the ground lease and shall be recorded with the county recorder or filed with the registrar of titles in the county in which the real property subject to the ground lease is located.

Sec. 12. Minnesota Statutes 1991 Supplement, section 462A.31, is amended by adding a subdivision to read:

Subd. 8. [ALLOCATIONS.] At least 50 percent of any money appropriated to the agency for the purposes of this section must be used to fund projects in which at least 75 percent of the families and individuals have incomes which do not exceed 30 percent of the median family income for the metropolitan area as defined in section 473.121, subdivision 2."

Page 5, line 32, delete "5, 6, and 7" and insert "6, 7, and 9"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 12, delete "subdivision 36" and insert "subdivisions 36 and 37" and after the second semicolon delete "and"

Page 1, line 13, after "6" insert ", 8," and after the semicolon insert "and 462A.31, by adding subdivisions;"

With the recommendation that when so amended the bill pass.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 1350, 1567, 1976, 2029, 2030, 2108, 2150, 2355, 2381 and 2501 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Anderson, R. H., and Frederick introduced:

H. F. No. 2606, A bill for an act relating to education; transferring the Waseca campus to the state board of technical colleges; specifying conditions; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 136C.

The bill was read for the first time and referred to the Committee on Education.

Segal; Anderson, I., and Clark introduced:

H. F. No. 2607, A bill for an act relating to appropriations; appropriating money for the emergency jobs program in the department of jobs and training.

The bill was read for the first time and referred to the Committee on Appropriations.

O'Connor, McEachern, Omann and Bishop introduced:

H. F. No. 2608, A bill for an act relating to consumer protection; requiring certain creditors to file credit card disclosure reports with the state treasurer; providing rulemaking authority; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 325G.

The bill was read for the first time and referred to the Committee on Commerce.

Greenfield introduced:

H. F. No. 2609, A bill for an act relating to University of Minnesota; providing that fines collected for traffic and parking offenses on university property be paid into the treasury of the university; amending Minnesota Statutes 1990, section 169.965, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Education.

Vellenga and Marsh introduced:

H. F. No. 2610, A bill for an act relating to peace officers; affording qualified federal law enforcement officers the authority of peace officers when assigned to special state and federal task forces; proposing coding for new law in Minnesota Statutes, chapter 626.

The bill was read for the first time and referred to the Committee on Judiciary.

Ozment introduced:

H. F. No. 2611, A bill for an act relating to appropriations; allowing funds to be used for a biological survey of Dakota county.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Weaver and Erhardt introduced:

H. F. No. 2612, A bill for an act relating to natural resources; allowing use of alternative rulemaking procedures for certain rules of the commissioner of natural resources; regulating activities relating to stromatolites; changing definitions; modifying provisions relating to game refuges, scientific and natural areas, experimental waters, and special management waters; expanding certain authorities relating to deer licenses; exempting certain rules of the commissioner from the administrative procedure act; allowing non-metal tags for fish nets; authorizing rulemaking; amending Minnesota Statutes 1990, sections 86A.05, subdivision 5; 97A.015, subdivisions 15 and 40; 97A.085, subdivisions 2, 3, 4, 5, 8, and by adding a subdivision; 97A.411, subdivision 3; 97A.485, subdivision 9; 97C.001, subdivisions 1 and 3; 97C.005; 97C.351; and 103G.615, subdivision 3; Minnesota Statutes 1991 Supplement, sections 14.29, subdivision 4; and 97A.093; and Laws 1991, chapter 259, section 25, as amended; proposing coding for new law in Minnesota Statutes, chapter 84.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Bauerly, Tunheim and McEachern introduced:

H. F. No. 2613, A bill for an act relating to education; eliminating deficiencies for education aids and grants by an open and standing appropriation for insufficient appropriations after excess amounts are transferred; equalizing levies for special education and health and safety revenue; appropriating money; amending Minnesota Statutes 1990, section 124.14, by adding a subdivision; Minnesota Statutes 1991 Supplement, sections 124.14, subdivision 7; 124.321, subdivision 3; and 124.83, subdivision 4.

The bill was read for the first time and referred to the Committee on Education.

Munger introduced:

H. F. No. 2614, A bill for an act relating to retirement; Minnesota state retirement system; authorizing a purchase of service credit by a former grain inspector.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Jaros, McEachern, Munger, Bauerly and Carlson introduced:

H. F. No. 2615, A bill for an act relating to education; establishing a regional technology high school program; authorizing the issuance of state bonds; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 124C.

The bill was read for the first time and referred to the Committee on Education.

Rest; Olson, E.; Blatz; Welle and Schreiber introduced:

H. F. No. 2616, A bill for an act relating to taxation; extending homestead treatment to property occupied by a person who is related to the owner; amending Minnesota Statutes 1991 Supplement, section 273.124, subdivision 1; repealing Minnesota Statutes 1991 Supplement, section 273.124, subdivision 15.

The bill was read for the first time and referred to the Committee on Taxes.

Simoneau, Pugh and Carruthers introduced:

H. F. No. 2617, A bill for an act relating to retirement; judges retirement fund; eliminating the offset for Social Security benefits; amending Minnesota Statutes 1990, section 355.391, subdivision 1; Minnesota Statutes 1991 Supplement, section 490.123, subdivision 1a; repealing Minnesota Statutes 1990, section 490.129.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Reding and Pugh introduced:

H. F. No. 2618, A bill for an act relating to public employees; setting salaries for administrative law judge supervisors, chief and assistant chief administrative law judges, and workers' compensation judges; amending Minnesota Statutes 1990, section 15A.083, subdivisions 6a, 7, and by adding a subdivision; Minnesota Statutes

1991 Supplement, sections 15A.081, subdivision 1; and 43A.18, subdivision 4.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Rodosovich, Munger, Battaglia and Blatz introduced:

H. F. No. 2619, A bill for an act relating to state parks; authorizing additions to and deletions from certain state parks; authorizing an easement and regulating campground use at McCarthy Beach state park.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Jefferson, Koppendraye, Vellenga and Sviggum introduced:

H. F. No. 2620, A bill for an act relating to human services; changing certain provisions for support and placement of children; amending Minnesota Statutes 1990, sections 256.87, subdivision 5; 257.072, subdivision 7; 257.59, subdivision 1; 259.255; 259.28, subdivision 2; 259.455; 260.012; 260.015, subdivision 8, and by adding a subdivision; 260.181, subdivision 3; 260.191, subdivisions 1 and 1a; 260.221, subdivision 1; and 260.235.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Hausman, Bodahl and Wejcman introduced:

H. F. No. 2621, A bill for an act relating to energy; establishing energy efficiency standards for room air conditioners; amending Minnesota Statutes 1990, section 216C.19, subdivision 13.

The bill was read for the first time and referred to the Committee on Energy.

Janezich, Heir, Anderson, I., and Rukavina introduced:

H. F. No. 2622, A bill for an act relating to 911 emergency telephone service; requiring automatic location identification and two dedicated circuits in each 911 emergency telephone service system; authorizing fee to fund enhanced 911 service; establishing 911 trust fund; amending Minnesota Statutes 1990, sections 403.01, by adding a subdivision; and 403.11; proposing coding for new law in Minnesota Statutes, chapter 403.



The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Solberg; Kinkel; Johnson, R., and Hasskamp introduced:

H. F. No. 2623, A bill for an act relating to the Mississippi river headwaters area; updating and changing provisions relating to activities of the Mississippi headwaters board; amending Minnesota Statutes 1990, sections 103F.365, subdivision 1, and by adding a subdivision; 103F.369, subdivision 1; and 103F.371; Minnesota Statutes 1991 Supplement, section 103F.369, subdivision 2.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Krueger, Munger, Battaglia, Dille and Nelson, S., introduced:

H. F. No. 2624, A bill for an act relating to the environment; providing that the pollution control agency adopt rules with respect to competence and fees of underground tank installers; amending Minnesota Statutes 1990, section 116.491, subdivision 3.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Segal introduced:

H. F. No. 2625, A bill for an act relating to insurance; health; requiring coverage for lactation consultations; proposing coding for new law in Minnesota Statutes, chapter 62A.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Segal introduced:

H. F. No. 2626, A bill for an act proposing an amendment to the Minnesota Constitution, article X, by adding a section; dedicating part of the sales tax to property tax relief; amending Minnesota Statutes 1991 Supplement, section 16A.711, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

Osthoff introduced:

H. F. No. 2627, A bill for an act relating to lotteries; authorizing the state lottery to operate video lottery machines in establishments where alcoholic beverages are sold at on-sale; amending Minnesota Statutes 1990, sections 349A.01, subdivisions 7, 8, 11, and by adding a subdivision; 349A.04; 349A.05; 349A.08, subdivisions 1 and 5; 349A.09, subdivision 1; 349A.11; 349A.12, subdivision 6; and by adding a subdivision; and 349.13; Minnesota Statutes 1991 Supplement, sections 299L.07, subdivision 1; 349A.06, subdivision 11; and 609.75, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 349A.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Dorn, Carlson, Morrison, Lourey and Haukoos introduced:

H. F. No. 2628, A bill for an act relating to education; requiring the higher education coordinating board to prorate state grants by the number of credits taken; amending Minnesota Statutes 1991 Supplement, section 136A.121, subdivision 6.

The bill was read for the first time and referred to the Committee on Education.

Steensma; Sparby; Johnson, V.; Omann and Wenzel introduced:

H. F. No. 2629, A bill for an act relating to agriculture; changing limits on certain loans by the rural finance authority; amending Minnesota Statutes 1990, sections 41B.03, subdivision 1; 41B.039, subdivision 2; and 41B.042, subdivision 4.

The bill was read for the first time and referred to the Committee on Agriculture.

Trimble introduced:

H. F. No. 2630, A bill for an act relating to the environment; adding emissions testing for trucks, buses, and motorcycles to the metropolitan motor vehicle emissions testing program; amending Minnesota Statutes 1990, section 116.60, subdivision 7.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Hausman, Ozment and Weaver introduced:

H. F. No. 2631, A bill for an act relating to education; amending

the post-secondary enrollment options act; reenacting and amending Minnesota Statutes 1990, section 123.3514, subdivisions 6 and 6b, as amended; amending Minnesota Statutes 1991 Supplement, sections 123.3514, subdivision 4; and 135A.03, subdivision 3a; Laws 1991, chapter 265, article 9, section 75; proposing coding for new law in Minnesota Statutes, chapters 123; and 135A.

The bill was read for the first time and referred to the Committee on Education.

Rukavina, Segal and Winter introduced:

H. F. No. 2632, A bill for an act relating to economic development; establishing the affirmative enterprise program; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 116J.

The bill was read for the first time and referred to the Committee on Economic Development.

Winter; Brown; Uphus; Nelson, S., and Wenzel introduced:

H. F. No. 2633, A bill for an act relating to agricultural development; redefining agricultural business enterprise for purposes of the Minnesota agricultural development act; amending Minnesota Statutes 1991 Supplement, section 41C.02, subdivision 2.

The bill was read for the first time and referred to the Committee on Agriculture.

Winter, Peterson, Bodahl, Dille and Segal introduced:

H. F. No. 2634, A bill for an act relating to economic development; changing the name of the export finance authority to Minnesota trading company; increasing the size of the board of directors and changing the composition; changing the financing terms; amending Minnesota Statutes 1990, section 116J.9763, subdivisions 2, 6, and 7.

The bill was read for the first time and referred to the Committee on Economic Development.

Segal, Krueger and Winter introduced:

H. F. No. 2635, A bill for an act relating to economic development; establishing an intergovernmental planning and study commission; appropriating money.

The bill was read for the first time and referred to the Committee on Economic Development.

McPherson, Pauly, Morrison, Lynch and Krambeer introduced:

H. F. No. 2636, A bill for an act proposing an amendment to the Minnesota Constitution, article IV, section 4, and article V, sections 2 and 4; placing limits on the terms of office of legislators and executive officers.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Segal, Lourey and McGuire introduced:

H. F. No. 2637, A bill for an act relating to the legislature; declaring a state policy for children, youth, and their families; amending the responsibilities of the legislative commission on children, youth, and their families; appropriating money; amending Minnesota Statutes 1991 Supplement, section 3.873, subdivisions 1, 4, 5, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Omann, Hufnagle, Pellow, Henry and Frederick introduced:

H. F. No. 2638, A bill for an act proposing an amendment to the Minnesota Constitution, article IV, section 4, and article V, sections 2 and 4; placing limits on the terms of office of legislators and executive officers.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

McPherson, Davids, Weaver, Girard and Goodno introduced:

H. F. No. 2639, A bill for an act relating to elections; campaign finance; prohibiting certain caucus fundraisers during legislative sessions; prohibiting the transfer of funds from one candidate's principal campaign committee to another candidate's principal campaign committee; prohibiting the formation of more than one campaign committee by a candidate; requiring that recipients of public subsidies agree to raise at least one-half of private contributions from individual constituents; amending Minnesota Statutes 1990, sections 10A.14, subdivision 2; 10A.19, subdivision 1; 10A.27, subdivision 9; 10A.322, by adding a subdivision; and 10A.323;

Minnesota Statutes 1991 Supplement, sections 10A.065, subdivisions 1 and 5; and 10A.324, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 10A.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Uphus introduced:

H. F. No. 2640, A bill for an act relating to occupations and professions; elevators and boilers; providing that boilers used for mint oil extraction are considered to be used for agricultural or horticultural purposes; amending Minnesota Statutes 1991 Supplement, section 183.56.

The bill was read for the first time and referred to the Committee on Agriculture.

Jefferson introduced:

H. F. No. 2641, A bill for an act relating to retirement; Minneapolis teachers retirement fund association; eliminating retroactive application of omitted salary deduction provision; eliminating reduction in benefit of annuitants returning to active service in certain circumstances; amending Laws 1991, chapter 317, sections 5 and 6.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Olson, K., and Winter introduced:

H. F. No. 2642, A bill for an act relating to armories; providing for a public hearing before the adjutant general closes an armory; amending Minnesota Statutes 1990, section 193.36, by adding a subdivision.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Dawkins introduced:

H. F. No. 2643, A bill for an act relating to energy; requiring energy providers to solicit contributions from customers for fuel funds that distribute emergency energy assistance to low-income households; establishing a statewide fuel fund in the department of jobs and training; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 268.

The bill was read for the first time and referred to the Committee on Energy.

Winter; Cooper; Rukavina; Anderson, I., and Davids introduced:

H. F. No. 2644, A bill for an act relating to petroleum underground storage tanks; establishing a loan guarantee and interest reduction program; defining terms; providing for the establishment of underwriting standards; establishing a loan guarantee and interest reduction fund; authorizing rulemaking; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 115C.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Carruthers, Bauerly, Sarna, Schreiber and Limmer introduced:

H. F. No. 2645, A bill for an act relating to commerce; regulating residential building contractors and remodelers; providing licensing requirements; amending Minnesota Statutes 1991 Supplement, sections 326.83, subdivision 10, and by adding subdivisions; and 326.84, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Commerce.

Hasskamp, by request, introduced:

H. F. No. 2646, A bill for an act relating to motor vehicles; providing for free motor vehicle license plates for former prisoners of war; amending Minnesota Statutes 1990, section 168.125, subdivision 1.

The bill was read for the first time and referred to the Committee on Transportation.

Milbert introduced:

H. F. No. 2647, A bill for an act relating to Minnesota Statutes; correcting erroneous, ambiguous, and omitted text and obsolete references; eliminating certain redundant, conflicting, and superseded provisions; making miscellaneous technical corrections to statutes and other laws; amending Minnesota Statutes 1990, sections 11A.23, subdivision 2; 13.791; 82B.20, subdivision 2; 86B.115; 86B.601, subdivision 1; 88.45; 103L.112; 115A.63, subdivision 3; 115A.82; 116J.70, subdivision 2a; 176.1041, subdivision 1; 176.361, subdivision 2; 177.23, subdivision 7; 183.38, subdivision 1; 214.01,

subdivision 2; 268A.09, subdivision 7; 290.10; 297A.15, subdivision 5; 298.402; 298.405, subdivision 1; 326.405; 326.43; 348.13; 352.116, subdivision 3b; 352B.10, subdivision 5; 352B.105; 356.24; 356.82; 466.131; 504.02; 514.53; 517.08, subdivision 1c; and 609.0331; Minnesota Statutes 1991 Supplement, sections 3.873, subdivision 6; 16B.122, subdivision 2; 60D.20, subdivision 1; 60G.01, subdivision 2; 116.072, subdivision 1; 116J.693, subdivision 2; 124.19, subdivision 1; 124.479; 169.983; 171.06, subdivision 3; 179A.10, subdivision 2; 256.969, subdivisions 2 and 3a; 256B.74, subdivision 2; 256H.03, subdivision 5; 272.01, subdivision 2; 272.02, subdivision 1; 275.50, subdivision 5; 340A.4055; 457A.01, subdivision 5; 473.845, subdivision 3; and 611A.02, subdivision 2; reenacting Minnesota Statutes 1991 Supplement, section 256B.431, subdivision 3f; repealing Minnesota Statutes 1990, section 326.01, subdivision 20; Laws 1989, chapter 282, article 2, section 188; Laws 1991, chapters 182, section 1; and 305, section 10.

The bill was read for the first time and referred to the Committee on Judiciary.

Hausman, Welle and Skoglund introduced:

H. F. No. 2648, A bill for an act relating to insurance; accident and health; regulating coverage for the use of off-label drugs; amending Minnesota Statutes 1990, section 43A.23, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 62A.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Pugh introduced:

H. F. No. 2649, A bill for an act relating to real estate foreclosures; establishing a voluntary foreclosure process with waiver of deficiency claims and equity; proposing coding for new law in Minnesota Statutes, chapter 582.

The bill was read for the first time and referred to the Committee on Judiciary.

Lourey, Kahn, Bishop, Krueger and Segal introduced:

H. F. No. 2650, A bill for an act relating to telecommunications; appropriating money to facilitate public sector regional telecommunications systems statewide, to create a public sector telecommunications clearinghouse, and to continue STARS telecommunications master planning development, including matching funds for pilot project development, in the Northeast and Southeast regions.

The bill was read for the first time and referred to the Committee on Economic Development.

Trimble, Morrison, Orenstein, Carlson and Jaros introduced:

H. F. No. 2651, A bill for an act relating to education; requesting the community colleges to study an enrollment plan for AFDC recipients.

The bill was read for the first time and referred to the Committee on Education.

Battaglia, Ogren, Begich and Rukavina introduced:

H. F. No. 2652, A bill for an act relating to the city of Ely; permitting a local sales tax.

The bill was read for the first time and referred to the Committee on Taxes.

Carruthers and Bishop introduced:

H. F. No. 2653, A bill for an act relating to commerce; regulating residential building contractors and remodelers; providing licensing requirements; prescribing the powers and duties of the commissioner; establishing a contractor's recovery fund; amending Minnesota Statutes 1991 Supplement, sections 326.83, subdivisions 4, 6, 7, 8, 10, and by adding subdivisions; 326.84, subdivisions 1 and 3; 326.85, subdivision 1; 326.86; 326.87, subdivision 2; 326.88; 326.89, subdivisions 2 and 3; 326.91, subdivision 2; 326.92, subdivisions 1 and 3; 326.93, subdivision 1; 326.94, subdivision 2; 326.97, subdivision 1; 326.99; and 326.991; proposing coding for new law in Minnesota Statutes, chapter 326; repealing Minnesota Statutes 1991 Supplement, sections 326.83, subdivisions 5 and 7; 326.84, subdivision 2; 326.88, subdivision 2; 326.94, subdivision 1; and 326.991.

The bill was read for the first time and referred to the Committee on Commerce.

Lourey and Ogren introduced:

H. F. No. 2654, A bill for an act relating to Aitkin county; directing an exchange of certain tax-forfeited land.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.



Lourey; Jefferson; Johnson, R.; Vellenga and Segal introduced:

H. F. No. 2655, A bill for an act relating to crimes; prohibiting release of inmates on holidays and weekends; requiring the establishment of certified sex offender treatment programs in correctional facilities; providing for the establishment of a chemical dependency treatment program in all correctional facilities; prohibiting good time for offenders who fail to complete court-ordered chemical dependency treatment; establishing a probation standards task force; requiring courts to make findings when recommended drug treatment is not ordered; amending Minnesota Statutes 1990, section 241.67, subdivision 3; 242.195, subdivision 2; and 244.04, subdivision 1; Minnesota Statutes 1991 Supplement, section 609.115, subdivision 8; proposing coding for new law in Minnesota Statutes, chapter 241.

The bill was read for the first time and referred to the Committee on Judiciary.

Blatz and Jacobs introduced:

H. F. No. 2656, A bill for an act relating to watershed districts; providing for their administrative fund levy.

The bill was read for the first time and referred to the Committee on Taxes.

Bodahl, Jacobs, Peterson, Begich and Lasley introduced:

H. F. No. 2657, A bill for an act relating to utilities; making adjustments in how telephone service rates are determined when extended area telephone service is established; amending Minnesota Statutes 1990, section 237.161, subdivision 3, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Peterson; Anderson, I., and Osthoff introduced:

H. F. No. 2658, A bill for an act relating to the Yellow Medicine county hospital district; providing for hospital board membership and elections; amending Laws 1963, chapter 276, sections 2, subdivision 2, and by adding subdivisions; and 4.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Johnson, R.; Simoneau; Anderson, I., and Kinkel introduced:

H. F. No. 2659, A bill for an act relating to capital improvements; authorizing bonds and appropriating money for the Bemidji technical college construction project.

The bill was read for the first time and referred to the Committee on Appropriations.

Jennings; Greenfield; Anderson, R.; Lourey and Kinkel introduced:

H. F. No. 2660, A bill for an act relating to taxation; increasing the tax rate for distilled wine and spirits; authorizing deposits into the chemical dependency treatment fund; amending Minnesota Statutes 1990, sections 254B.02, subdivision 1; 297C.02; and 297C.08.

The bill was read for the first time and referred to the Committee on Taxes.

Thompson; Dorn; Anderson, I.; Krueger and Garcia introduced:

H. F. No. 2661, A bill for an act relating to workers' compensation; regulating medical and rehabilitation benefits; providing penalties; amending Minnesota Statutes 1990, sections 176.011, subdivision 15; 176.102, subdivisions 1, 2, 3, 3a, 4, 6, 7, and 9; 176.103, subdivisions 2, 3, and by adding a subdivision; 176.135, subdivisions 1, 1a, 5, 6, and 7; 176.136, subdivisions 1, 2, and by adding subdivisions; 176.155, subdivision 1; and 176.83, subdivisions 5, 6, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 176; repealing Minnesota Statutes 1990, sections 176.135, subdivision 3; and 176.136, subdivision 5.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Johnson, V.; Munger and Davids introduced:

H. F. No. 2662, A bill for an act relating to state trails; providing for the establishment of the Blufflands Trail System; amending Minnesota Statutes 1990, section 85.015, subdivision 7.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Limmer, Vellenga, Solberg, Carruthers and Blatz introduced:

H. F. No. 2663, A bill for an act relating to the pardon process; imposing a waiting period on persons who seek a pardon extraordinary from the board of pardons; requiring that a pardon extraordinary be made a part of the pardoned offender's court record and that a copy be sent to the bureau of criminal apprehension; authorizing the board to conduct its deliberations on pardon applications in private; improving the pardon application procedure; requiring certain reports; prohibiting employment discrimination against pardoned offenders; appropriating money; amending Minnesota Statutes 1990, sections 363.03, subdivision 1; and 638.02, subdivisions 2 and 4; Minnesota Statutes 1991 Supplement, sections 638.02, subdivision 3; 638.04; 638.05; and 638.06; proposing coding for new law in Minnesota Statutes, chapter 638.

The bill was read for the first time and referred to the Committee on Judiciary.

Pellow; Johnson, V.; Anderson, I.; Reding and Krambeer introduced:

H. F. No. 2664, A bill for an act relating to game and fish; granting preference to elderly applicants for licenses or permits to take deer within a refuge; amending Minnesota Statutes 1990, section 97A.091, subdivision 2.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Johnson, V., and Krambeer introduced:

H. F. No. 2665, A bill for an act relating to education; abolishing the higher education board; amending Minnesota Statutes 1991 Supplement, sections 15A.081, subdivision 7b; and 179A.10, subdivision 2; repealing Minnesota Statutes 1991 Supplement, sections 136E.01; 136E.02; 136E.03; 136E.04; and 136E.05; and Laws 1991, chapter 356, article 9, sections 8, 9, 10, 11, 12, 13, and 14.

The bill was read for the first time and referred to the Committee on Education.

Dorn, Frederick, Carlson, Simoneau and Dempsey introduced:

H. F. No. 2666, A bill for an act relating to capital improvements; providing for emergency capital expenses at Mankato State University; authorizing sale of state bonds; appropriating money.

The bill was read for the first time and referred to the Committee on Appropriations.

Osthoff, Vellenga, Solberg and Abrams introduced:

H. F. No. 2667, A bill for an act relating to elections; campaign finance; prohibiting the transfer of funds from one candidate's principal campaign committee to another candidate's principal campaign committee; prohibiting the formation of more than one campaign committee by a candidate; providing that a candidate receive the opponent's public subsidy if the opponent does not agree to spending limits; requiring that recipients of public subsidies agree not to raise campaign funds from political associations that exceed one-half of total contributions to the candidate; requiring that a candidate raise within the candidate's district 50 percent of the matching amount necessary to receive a public subsidy; increasing late filing fees; clarifying certain reporting requirements; requiring the retention of records by lobbyists and principals; amending Minnesota Statutes 1990, sections 6.76; 10A.01, subdivisions 25 and 26; 10A.03, subdivision 2; 10A.04, subdivisions 5 and 7; 10A.065, subdivision 3; 10A.09, subdivisions 2 and 7; 10A.14, subdivision 2; 10A.19, subdivision 1; 10A.20, subdivision 12; 10A.23; 10A.27, subdivision 9; 10A.322, by adding a subdivision; 10A.323; 10A.324, by adding a subdivision; and 383B.053, subdivision 1; Minnesota Statutes 1991 Supplement, section 10A.25, subdivision 10; repealing Minnesota Statutes 1990, section 10A.25, subdivision 2a.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Krambeer, Rest, Lynch and Tompkins introduced:

H. F. No. 2668, A bill for an act relating to crimes; defining child endangerment to include situations involving parental operation of motorboats, snowmobiles, and motor vehicles while under the influence of alcohol in violation of law and with a child as a passenger and situations involving permitting a child to be present when a person is unlawfully possessing or using a controlled substance; amending Minnesota Statutes 1990, section 609.378, subdivision 1, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Judiciary.

Heir introduced:

H. F. No. 2669, A bill for an act relating to energy; changing requirements for energy metering of individual dwelling units; repealing Minnesota Statutes 1990, section 216C.27, subdivision 8.

The bill was read for the first time and referred to the Committee on Energy.

Seaberg introduced:

H. F. No. 2670, A bill for an act relating to domestic abuse; increasing penalties for certain repeat offenders who have prior out-of-state convictions; amending Minnesota Statutes 1990, section 609.224, subdivision 2; and Minnesota Statutes 1991 Supplement, section 518B.01, subdivision 14.

The bill was read for the first time and referred to the Committee on Judiciary.

Lourey, Ogren and Rest introduced:

H. F. No. 2671, A bill for an act relating to education; setting a minimum levy for interactive television costs; amending Minnesota Statutes 1991 Supplement, section 275.125, subdivision 11g.

The bill was read for the first time and referred to the Committee on Education.

Haukoos, Ozment, Reding, Vanasek and Jennings introduced:

H. F. No. 2672, A bill for an act relating to taxation; property; providing a special levy for certain firefighters' relief funds; amending Minnesota Statutes 1991 Supplement, section 275.50, subdivision 5.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Dawkins introduced:

H. F. No. 2673, A bill for an act relating to theft; providing that a person who steals property is civilly liable for \$50 in punitive damages; providing that if stolen property is recovered there will be no civil liability for the value of the property; amending Minnesota Statutes 1990, section 332.51, subdivisions 1 and 5.

The bill was read for the first time and referred to the Committee on Judiciary.

Tunheim introduced:

H. F. No. 2674, A bill for an act relating to natural resources; allowing the use of snowmobiles on certain conservation lands unless prohibited by rule of the commissioner of natural resources; amending Minnesota Statutes 1990, section 84A.55, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Tunheim introduced:

H. F. No. 2675, A bill for an act relating to education; approving a maximum effort school loan program capital loan.

The bill was read for the first time and referred to the Committee on Education.

Tunheim introduced:

H. F. No. 2676, A bill for an act relating to education; authorizing an additional adjustment to the debt redemption fund for a maximum effort capital loan recipient; amending Laws 1991, chapter 265, article 5, section 23.

The bill was read for the first time and referred to the Committee on Education.

Haukoos, Dempsey, Frerichs, Sviggum and Welker introduced:

H. F. No. 2677, A bill for an act relating to state government; forbidding state employees from receiving benefits for airline trips paid for by the state; proposing coding for new law in Minnesota Statutes, chapter 43A.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Boo introduced:

H. F. No. 2678, A bill for an act relating to public safety; establishing the automatic fire-safety sprinkler system loan program for existing multifamily residential properties; creating the automatic fire-safety sprinkler system fund; exempting newly installed automatic sprinklers from sales and property taxes; authorizing bonds to be issued to fund the program; appropriating money; amending Minnesota Statutes 1990, sections 273.11, by adding a subdivision; 297A.25, by adding a subdivision; Minnesota Statutes 1991 Supplement, section 272.03, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 299F.

The bill was read for the first time and referred to the Committee on Taxes.

Beard, Milbert and Frederick introduced:

H. F. No. 2679, A bill for an act relating to lawful gambling; prescribing the effective date of certain rules adopted by the gambling control board.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Bodahl, Peterson, Cooper, Davids and Smith introduced:

H. F. No. 2680, A bill for an act relating to state government; the department of administration; directing the commissioner of administration to monitor the availability of federal money to state agencies and agency application for and receipt of federal grants; requiring agencies to cooperate with the commissioner; requiring reports to the legislature; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 16B.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Gutknecht introduced:

H. F. No. 2681, A bill for an act relating to retirement; public employees police and fire fund; authorizing the purchase of service credit for military service by honorably discharged veterans; proposing coding for new law in Minnesota Statutes, chapter 353.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Trimble, Dawkins, Dempsey, Long and Garcia introduced:

H. F. No. 2682, A resolution memorializing the President and Congress to expedite the naturalization of aliens who served with special guerrilla units in Laos.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Solberg introduced:

H. F. No. 2683, A bill for an act relating to the city of Nashwauk; authorizing an increase in benefits payable to surviving spouses by the police relief association; amending Laws 1943, chapter 196, section 4, as amended.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Bishop introduced:

H. F. No. 2684, A bill for an act relating to the department of health; establishing a service connection fee for certain public water supply users; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 144.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Trimble, Munger, Murphy, Gutknecht and Heir introduced:

H. F. No. 2685, A bill for an act relating to energy; requiring the use of energy-efficient lighting for highways, streets, and parking lots; establishing minimum energy efficiency standards for lamps, motors, showerheads, faucets, and replacement commercial heating, ventilating, and air conditioning equipment; requiring that all new residential combustion appliances be unable to spill combustion gases into homes regardless of the airtightness or operating condition of the home; requiring continuing education in energy efficiency standards in building codes for licensed building contractors, remodelers, and specialty contractors; authorizing rulemaking; amending Minnesota Statutes 1990, section 216C.19, subdivision 1, and by adding subdivisions; and Minnesota Statutes 1991 Supplement, section 326.87, subdivision 1.

The bill was read for the first time and referred to the Committee on Energy.

Ogren introduced:

H. F. No. 2686, A bill for an act relating to state lands; authorizing exchange of real property.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Johnson, A., and Vellenga introduced:

H. F. No. 2687, A bill for an act relating to human services; mandating the design of a statewide program of school-linked services funded from federal sources; establishing two pilot projects; proposing coding for new law in Minnesota Statutes, chapter 256.



The bill was read for the first time and referred to the Committee on Health and Human Services.

Skoglund introduced:

H. F. No. 2688, A bill for an act relating to insurance; solvency; making various technical corrections; amending Minnesota Statutes 1990, sections 60A.03, subdivision 6; and 60A.10, subdivision 4; Minnesota Statutes 1991 Supplement, sections 60A.092, subdivision 3; 60A.11, subdivisions 13 and 20; 60A.112; 60A.12, subdivision 10; 60A.124; and 60D.17, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 60C; repealing Minnesota Statutes 1991 Supplement, section 72A.206.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Seaberg, Frerichs and Olsen, S., introduced:

H. F. No. 2689, A bill for an act relating to public administration; authorizing spending to acquire and to better public land and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of state bonds; appropriating money; amending Minnesota Statutes 1991 Supplement, section 16A.11, subdivision 1.

The bill was read for the first time and referred to the Committee on Appropriations.

Kinkel introduced:

H. F. No. 2690, A bill for an act relating to education; modifying the capital expenditure health and safety program; amending Minnesota Statutes 1990, sections 124.83, subdivisions 2 and 6, and by adding subdivisions; 182.666, subdivisions 6 and 7; Minnesota Statutes 1991 Supplement, section 124.83, subdivision 1; Laws 1991, chapter 265, article 5, section 24, subdivision 4.

The bill was read for the first time and referred to the Committee on Education.

Nelson, K.; Kinkel; McEachern; Hasskamp and Bodahl introduced:

H. F. No. 2691, A bill for an act relating to education; establishing a state program to improve and expand advanced placement programs in school districts; providing for summer institutes and

support programs for teachers of advanced placement courses; providing for subsidies for examination fees for certain pupils; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 126.

The bill was read for the first time and referred to the Committee on Education.

Pelowski introduced:

H. F. No. 2692, A bill for an act relating to crime; prohibiting soliciting children to enter a motor vehicle; proposing coding for new law in Minnesota Statutes, chapter 609.

The bill was read for the first time and referred to the Committee on Judiciary.

Runbeck, Leppik, Segal, Vellenga and Greenfield introduced:

H. F. No. 2693, A bill for an act relating to health; authorizing planning for an institute to promote the sexual health of youth and children; appropriating money.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Greenfield introduced:

H. F. No. 2694, A bill for an act relating to health; appropriating money to the commissioner of health to review proposals from occupations and professions seeking to be licensed or regulated.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Greenfield introduced:

H. F. No. 2695, A bill for an act relating to juries; prohibiting exclusion from jury service based on a disability; amending Minnesota Statutes 1990, section 593.32.

The bill was read for the first time and referred to the Committee on Judiciary.

Greenfield introduced:

H. F. No. 2696, A bill for an act relating to nursing homes; defining a residential hospice facility; modifying hospice program conditions; amending Minnesota Statutes 1990, section 144A.48, subdivision 1, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Greenfield, Vellenga and Orenstein introduced:

H. F. No. 2697, A bill for an act relating to children; providing juvenile crime prevention funding for head start programs; authorizing a grant to a statewide parent self-help child abuse prevention organization; appropriating money; amending Minnesota Statutes 1991 Supplement, section 268.914, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Greenfield introduced:

H. F. No. 2698, A bill for an act relating to commitments; modifying commitment procedures for persons who are mentally ill and dangerous to the public or psychopathic personalities; authorizing bonding for construction of an addition at the security hospital; appropriating money; amending Minnesota Statutes 1990, sections 253B.18, subdivision 2; 526.10; and 609.1351.

The bill was read for the first time and referred to the Committee on Judiciary.

Sviggum introduced:

H. F. No. 2699, A bill for an act relating to state lands; removing conservation easement restriction on the exchange of state-owned nonforested marginal land if the deed contains a certain restrictive covenant; amending Minnesota Statutes 1991 Supplement, section 103F.535, subdivision 1.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Farrell introduced:

H. F. No. 2700, A bill for an act relating to retirement; the public employees retirement association; restoring certain survivor benefits; amending Laws 1991, chapter 269, article 2, section 13.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Onnen, Rest, Valento and Vellenga introduced:

H. F. No. 2701, A bill for an act relating to taxation; income and franchise; allowing an investment credit; proposing coding for new law in Minnesota Statutes, chapter 290.

The bill was read for the first time and referred to the Committee on Taxes.

Munger introduced:

H. F. No. 2702, A bill for an act relating to waters; changing the composition of the board of water and soil resource's dispute resolution committee; amending Minnesota Statutes 1990, section 103B.101, subdivision 10.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Ogren, Ozment, Rukavina and O'Connor introduced:

H. F. No. 2703, A bill for an act relating to employment; requiring employers to indemnify employees for liability arising out of the scope of employment; proposing coding for new law in Minnesota Statutes, chapter 181.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Clark, Trimble, Segal and Dawkins introduced:

H. F. No. 2704, A bill for an act relating to state government; increasing the size of the council on Asian-Pacific Minnesotans; providing for representation of various Asian-Pacific communities on the council; amending Minnesota Statutes 1991 Supplement, section 3.9226, subdivision 1.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Clark and Trimble introduced:

H. F. No. 2705, A bill for an act relating to education; prohibiting

the use of state money to or for schools that use names or mascots demeaning to Native Americans; amending Minnesota Statutes 1990, sections 124.19, by adding a subdivision; and 136A.16, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 123 and 135A.

The bill was read for the first time and referred to the Committee on Education.

Wejzman, Hausman, Clark, Welle and Bishop introduced:

H. F. No. 2706, A bill for an act relating to health; prohibiting health care providers from disclosing information relating to a negative HIV test, except with the special written consent of the patient; amending Minnesota Statutes 1990, section 144.335, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Koppendrayner, Lasley, Wenzel and Schreiber introduced:

H. F. No. 2707, A bill for an act relating to state lands; authorizing public sale of certain tax-forfeited land in Mille Lacs county.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Dawkins introduced:

H. F. No. 2708, A bill for an act relating to community service; providing the Minnesota jobs in community service act; establishing a community service program; appropriating money; proposing coding for new law in Minnesota Statutes, chapters 16B; and 121.

The bill was read for the first time and referred to the Committee on Economic Development.

Jacobs introduced:

H. F. No. 2709, A bill for an act relating to alcoholic beverages; authorizing the sale of liqueur-filled candy in confectionery stores; amending Minnesota Statutes 1990, section 31.121.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Carlson introduced:

H. F. No. 2710, A bill for an act relating to education; allowing certain reserved revenue to be used for programs to develop leadership skills; amending Minnesota Statutes 1991 Supplement, section 124A.29, subdivision 1.

The bill was read for the first time and referred to the Committee on Education.

Hanson, Munger and Bertram introduced:

H. F. No. 2711, A bill for an act relating to counties; establishing procedures for filling certain vacancies on county boards by general election; amending Minnesota Statutes 1990, section 375.101, by adding a subdivision.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Rukavina and Munger introduced:

H. F. No. 2712, A bill for an act relating to counties; providing for financing of acquisition, construction, equipping, and improvement of correctional facilities; authorizing certain leasing agreements; authorizing the sale of bonds; providing for tax levies; establishing a correctional facilities fund; amending Minnesota Statutes 1990, sections 401.02, subdivision 3; 401.05; 469.153, subdivision 2; and 641.24.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Carruthers introduced:

H. F. No. 2713, A bill for an act relating to crimes; expanding RICO racketeering law to include gambling crimes; authorizing the division of gambling enforcement to seize and forfeit property under the criminal forfeiture law; prescribing penalties; amending Minnesota Statutes 1990, section 609.76, subdivision 2; Minnesota Statutes 1991 Supplement, sections 609.531, subdivision 1; 609.76, subdivision 1; and 609.902, subdivision 4.

The bill was read for the first time and referred to the Committee on Judiciary.

Kahn introduced:

H. F. No. 2714, A bill for an act relating to the city of Minneapolis; eliminating community resource funding for way to grow program; repealing Minnesota Statutes 1990, section 466A.06, subdivision 2.

The bill was read for the first time and referred to the Committee on Economic Development.

Wejeman introduced:

H. F. No. 2715, A bill for an act relating to the city of Minneapolis; authorizing community service officers to enforce certain ordinances.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Bauerly; Koppendrayner; Bertram; Nelson, S., and Wenzel introduced:

H. F. No. 2716, A bill for an act relating to agriculture; changing the expiration of nursery stock dealers' certificates and the penalty for late certificate renewals; clarifying certain language; imposing a penalty for violation of the plant pest act; changing certain pesticide control requirements; changing certain emergency powers of the commissioner related to seeds; changing provisions concerning adulterated dairy products; amending Minnesota Statutes 1990, sections 18.52, subdivision 2; 18.59; 18B.31, subdivision 1; 18B.36, subdivision 1; 21.85, subdivision 10; and 32.21; Minnesota Statutes 1991 Supplement, sections 18.52, subdivision 5; and 18.60, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Agriculture.

Dille, Kalis, Bishop, Trimble and Munger introduced:

H. F. No. 2717, A bill for an act relating to water; requiring maintenance of a statewide nitrate data base; establishing a nitrate data advisory task force; modifying requirements relating to sealing of wells; establishing a well sealing account; requiring a report on environmental consulting services; appropriating money; amending Minnesota Statutes 1990, sections 103I.301, subdivision 4; 103I.315; and 103I.341, subdivisions 1 and 5; Minnesota Statutes 1991 Supplement, sections 16B.92, by adding a subdivision; and 103I.301, subdivisions 1 and 6; proposing coding for new law in Minnesota Statutes, chapters 103A and 103I.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Peterson and Munger introduced:

H. F. No. 2718, A bill for an act relating to natural resources; authorizing expenditure of funds for development of waterfowl breeding grounds in Canada; proposing coding for new law in Minnesota Statutes, chapter 97A.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Peterson and Munger introduced:

H. F. No. 2719, A bill for an act relating to natural resources; authorizing the commissioner of natural resources to advance state funds for the purpose of matching nonstate funds under certain conditions; amending Minnesota Statutes 1991 Supplement, section 84.085, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Sparby and Reding introduced:

H. F. No. 2720, A bill for an act relating to game and fish; providing for agricultural crop protection assistance; providing for issuance of deer licenses to certain owners of agricultural land in consideration for allowing access for hunting; appropriating money; amending Minnesota Statutes 1990, sections 97A.441, by adding a subdivision; and 97B.301, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 97A.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Stanisus, Valento, Trimble, McGuire and O'Connor introduced:

H. F. No. 2721, A bill for an act relating to metropolitan government; providing for long-term comprehensive planning and implementation planning for the metropolitan mosquito control commission; providing for membership on the mosquito control commission; amending Minnesota Statutes 1990, sections 473.129, subdivision 6; 473.181, by adding a subdivision; 473.703; 473.704, by adding a subdivision; 473.711, by adding a subdivision; 473.716, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 473.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.



Stanisus, Valento, Runbeck and O'Connor introduced:

H. F. No. 2722, A bill for an act relating to Ramsey county; requiring commissioners to remit per diems to county's general fund; proposing coding for new law in Minnesota Statutes, chapter 383A.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Heir, Murphy, Seaberg and Jacobs introduced:

H. F. No. 2723, A bill for an act relating to motor fuels; weights and measures; regulating octane and oxygenated fuels; amending Minnesota Statutes 1990, sections 41A.09, subdivision 2, and by adding a subdivision; 239.06; 239.75; 239.79; 239.80; 296.01, subdivisions 1, 2, 3, 4, 4a, 4b, 15, 24, and by adding subdivisions; 296.02, subdivisions 1, 2, and 7; Minnesota Statutes 1991 Supplement, section 239.05, subdivision 1, and by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 239; repealing Minnesota Statutes 1990, sections 239.75, subdivisions 3 and 4; 239.76, as amended; 239.79, subdivisions 1 and 2; 296.01, subdivision 2a; and 325E.09.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Segal introduced:

H. F. No. 2724, A bill for an act relating to occupations and professions; defining asbestos-related work for residential property; authorizing rulemaking; amending Minnesota Statutes 1990, sections 326.71, subdivision 4; 326.72, subdivision 1; and 326.78, subdivision 1.

The bill was read for the first time and referred to the Committee on Commerce.

Sviggum, Goodno and Dauner introduced:

H. F. No. 2725, A bill for an act relating to the jobs and training department; establishing a self-start program; providing employment-related services; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 268.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Gruenes introduced:

H. F. No. 2726, A bill for an act relating to the department of jobs and training; modifying provisions concerning dislocated worker fund disbursements; amending Minnesota Statutes 1991 Supplement, section 268.022, subdivision 2.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Gutknecht introduced:

H. F. No. 2727, A bill for an act relating to the bureau of mediation services; eliminating the Minnesota public employment relations board; modifying arbitration procedures; amending Minnesota Statutes 1990, sections 14.03, subdivision 2; 43A.06, subdivision 2; 179A.03, subdivisions 3, 5, and 17; 179A.10, subdivisions 1 and 3; 179A.12, subdivision 3; 179A.13, subdivision 3; 179A.16, subdivisions 3, 5, and 8; 179A.17; 179A.18, subdivision 1; 179A.20, subdivision 1; 179A.21, subdivisions 2 and 3; 179A.22, subdivision 4; and 179A.25; Minnesota Statutes 1991 Supplement, sections 179A.04, subdivision 3; 179A.13, subdivision 2; and 179A.16, subdivisions 4, 6, and 7; proposing coding for new law in Minnesota Statutes, chapter 179A; repealing Minnesota Statutes 1990, section 179A.05, as amended.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Henry, Morrison, Marsh, Runbeck and Newinski introduced:

H. F. No. 2728, A bill for an act relating to the jobs and training department; modifying Head Start program provisions; appropriating money; repealing Minnesota Statutes 1991 Supplement, section 268.914, subdivision 2.

The bill was read for the first time and referred to the Committee on Appropriations.

Orenstein, Skoglund, Farrell, Cooper and Dawkins introduced:

H. F. No. 2729, A bill for an act relating to the department of jobs and training; appropriating money to supplement certain programs.

The bill was read for the first time and referred to the Committee on Appropriations.

Frerichs and Dempsey introduced:

H. F. No. 2730, A bill for an act relating to financing of government in this state; altering certain appropriations for the biennium ending June 30, 1993, with certain conditions; providing for transfer or cancellation of certain money in the state treasury; appropriating money; amending Minnesota Statutes 1990, sections 3.736, subdivision 8; 10A.03, by adding a subdivision; 10A.14, by adding a subdivision; 10A.31, subdivision 4; 16A.48, subdivision 1; 16B.85, subdivision 5; 17.03, by adding a subdivision; 18B.26, subdivision 3; 43A.30, subdivisions 4 and 5; 60A.15, subdivision 1; 69.031, subdivision 5; 85A.04, subdivision 1; 89.035; 89.37, by adding a subdivision; 116J.9673, subdivision 4; 121.935, by adding a subdivision; 123.58, by adding a subdivision; 136A.121, by adding a subdivision; 144.123, subdivision 2; 176.104, subdivision 2, and by adding subdivisions; 176.129, subdivisions 1 and 11; 176.183, subdivision 1; 182.666, subdivision 7; 237.701, subdivision 1; 270.063; 270.71; 289A.26, subdivisions 3, 4, 7, and 9; 290A.03, subdivisions 11 and 13; 290A.19; 297.13, subdivision 1; 299F.21, subdivision 1; 340A.301, subdivision 6; 340A.302, subdivision 3; 340A.315, subdivision 1; 340A.317, subdivision 2; 340A.408, subdivision 4; 345.32; 345.33; 345.34; 345.35; 345.36; 345.37; 345.38; 345.39; 345.42, subdivision 3; 352.04, subdivisions 2 and 3; 352.92, subdivision 2; 353.27, subdivision 13; 353.65, subdivisions 2, 3, and 7; 356.65, subdivision 1; 363.071, by adding a subdivision; 363.14, subdivision 3; 466.06; 477A.015; 477A.11, subdivision 4; 477A.12; 477A.14; and 490.123, by adding a subdivision; Minnesota Statutes 1991 Supplement, sections 16A.15, subdivision 6; 16A.45, subdivision 1; 16A.723, subdivision 2; 43A.316, subdivision 9; 89.37, subdivision 4; 121.904, subdivisions 4a and 4e; 124.195, subdivision 2; 124.479; 135A.03, subdivisions 1a and 3a; 148.91, subdivision 3; 182.666, subdivision 2; 289A.20, subdivision 4; 289A.26, subdivisions 1 and 6; 290A.04, subdivision 2h; 340A.311; 340A.316; and 340A.504, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 124; 178; and 290; repealing Minnesota Statutes 1990, sections 3.737; 3.7371; 41A.051; 84A.51, subdivisions 3 and 4; 84B.11; 85.012, subdivision 27a; 89.036; 179.81; 179.82; 179.83; 179.84; 179.85; 270.185; and 290A.03, subdivisions 12a and 14.

The bill was read for the first time and referred to the Committee on Ways and Means.

Runbeck and Dille introduced:

H. F. No. 2731, A bill for an act relating to motor vehicles; environment; providing for biennial inspections for motor vehicle emissions; providing for delayed testing for new motor vehicles; providing that the emissions testing program expires under certain conditions; amending Minnesota Statutes 1990, sections 116.61, subdivision 1; 116.62, subdivision 4; and 116.64, subdivisions 1 and 3; proposing coding for new law in Minnesota Statutes, chapter 116.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Heir introduced:

H. F. No. 2732, A bill for an act relating to public utilities; removing the public service member from the telecommunications access for communication-impaired persons board; amending Minnesota Statutes 1990, section 237.51, subdivisions 2 and 6.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Wenzel, Bauerly, Omann, Bertram and Johnson, V., introduced:

H. F. No. 2733, A bill for an act relating to agriculture; establishing a dairy fund in the state treasury; imposing fees; providing for certain milk premium payments to dairy farmers; establishing a Minnesota dairy board; proposing coding for new law in Minnesota Statutes, chapter 32.

The bill was read for the first time and referred to the Committee on Agriculture.

Bauerly, Omann, Bertram, Krueger and Wenzel introduced:

H. F. No. 2734, A bill for an act relating to agriculture; the Minnesota rural finance authority; providing for establishment of an agricultural improvement loan program for grade B dairy producers; appropriating money and authorizing the issuance of state bonds to fund the program; amending Minnesota Statutes 1990, section 41B.02, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 41B.

The bill was read for the first time and referred to the Committee on Agriculture.

Gruenes introduced:

H. F. No. 2735, A bill for an act relating to nursing homes; regulating payments for nursing homes under receivership agreements; making various technical amendments; amending Minnesota Statutes 1990, sections 245A.13, subdivision 4; 256B.431, subdivision 4; 256B.432, by adding a subdivision; 256B.48, subdivisions 3, 4, and by adding a subdivision; 256B.495, subdivisions 1, 2, and by adding a subdivision; 256B.50, subdivisions 1b and 2; 256I.01; 256I.02; 256I.03, subdivisions 2 and 3; 256I.04, as amended;

256I.05, subdivisions 1, 3, 6, 8, and 9; and 256I.06; Minnesota Statutes 1991 Supplement, sections 252.46, subdivision 3; 256B.49, subdivision 4; and 256I.05, subdivisions 1a, 1b, 2, and 10; proposing coding for new law in Minnesota Statutes, chapter 256B; repealing Minnesota Statutes 1990, section 256I.05, subdivision 7; Minnesota Statutes 1991 Supplement, section 256I.05, subdivision 7a.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Morrison, Limmer and Haukoos introduced:

H. F. No. 2736, A bill for an act relating to education; establishing a higher education savings plan; appropriating money; amending Minnesota Statutes 1990, section 136A.121, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 290.

The bill was read for the first time and referred to the Committee on Education.

Sviggum introduced:

H. F. No. 2737, A bill for an act relating to human services; changing the required dates for certain residential day and support services plans; excluding certain providers of respite care services from licensing requirements; providing for alternative services for persons with mental retardation; providing grants to businesses that employ persons with mental retardation; providing medical assistance coverage for certain services; changing the distribution of certain case management grants to counties; amending Minnesota Statutes 1990, sections 245A.02, by adding a subdivision; 252.291, subdivision 3; 256B.0625, by adding a subdivision; 256B.092, by adding a subdivision; 256B.501, by adding subdivisions; and 256E.14; Minnesota Statutes 1991 Supplement, sections 245A.03, subdivision 2; 252.28, subdivision 1; 252.50, subdivision 2; 256B.092, subdivision 4; and 256I.05, subdivision 10; proposing coding for new law in Minnesota Statutes, chapter 252.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Sparby and Reding introduced:

H. F. No. 2738, A bill for an act relating to public employment; requiring public employers to include certain former employees in the same insurance pool as active employees; amending Minnesota Statutes 1990, sections 43A.27, subdivision 3; and 471.61, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Stanius, Valento, Runbeck and O'Connor introduced:

H. F. No. 2739, A bill for an act relating to Ramsey county; providing for evening meetings of Ramsey county board; amending Minnesota Statutes 1990, section 383A.27, subdivision 1.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Stanius, Valento, Runbeck and O'Connor introduced:

H. F. No. 2740, A bill for an act relating to Ramsey county; requiring Ramsey county board to solicit proposals for depositories of county funds; proposing coding for new law in Minnesota Statutes, chapter 383A.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Schreiber and Carruthers introduced:

H. F. No. 2741, A bill for an act relating to housing; creating a regional housing revitalization program; imposing a deed tax on certain real property transfers within the metropolitan area; appropriating money; amending Minnesota Statutes 1990, sections 287.21, subdivisions 1 and 2; 287.29, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 473.

The bill was read for the first time and referred to the Committee on Housing.

Dauids introduced:

H. F. No. 2742, A bill for an act relating to education; allowing certain fund transfers for school districts that are reorganizing; amending Minnesota Statutes 1991 Supplement, sections 121.912, subdivision 6; and 121.915.

The bill was read for the first time and referred to the Committee on Education.

Bauerly, Bettermann, McEachern and Kelso introduced:

H. F. No. 2743, A bill for an act relating to education; repealing fiscal year 1991 requirements for education districts; repealing Minnesota Statutes 1991 Supplement, sections 122.94, subdivision 1a; and 124.2721, subdivisions 1a, 2a, 3b, 4a, 5a, and 5b.

The bill was read for the first time and referred to the Committee on Education.

Koppendrayner and Erhardt introduced:

H. F. No. 2744, A bill for an act relating to the department of employee relations; modifying expense account terms and uses; amending Minnesota Statutes 1991 Supplement, section 43A.48.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Macklin and Goodno introduced:

H. F. No. 2745, A bill for an act relating to human services; establishing a project to enhance the recovery of overpaid benefits; creating administrative fraud disqualification hearings as an optional method for resolving AFDC and food stamp fraud cases; creating a task force to consider and evaluate mechanisms which would allow the administrative determination of overpayments and their docketing as judgments; defining in-kind income in the AFDC and GA programs; authorizing disqualification from the AFDC and food stamp programs based on administrative fraud hearings; creating and authorizing the use of commissioner's subpoenas in investigations involving public assistance programs; establishing the offense defined as assistance transaction card fraud; establishing a pilot project to examine options designed to enhance the recovery of overpayments in assistance programs; providing penalties; appropriating money; amending Minnesota Statutes 1990, sections 256.019; 256.12, by adding a subdivision; 256D.02, subdivision 8; and 256D.35, subdivision 11; Minnesota Statutes 1991 Supplement, section 256.98, subdivision 8; proposing coding for new law in Minnesota Statutes, chapter 256.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Munger introduced:

H. F. No. 2746, A bill for an act relating to waters; authorizing agreements by soil and water conservation districts for enforcement of city or county controls; amending Minnesota Statutes 1990, section 103C.331, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Macklin and Schreiber introduced:

H. F. No. 2747, A bill for an act relating to taxation; proposing administrative and policy changes; amending Minnesota Statutes 1990, sections 60A.15, subdivision 1; 270.07, subdivision 3; 275.065, subdivision 4; 289A.26, subdivisions 3, 4, 7, and 9; 290.01, subdivision 6; 290A.03, subdivisions 11 and 13; 290A.19; 297A.14, subdivision 1; and 299F.21, subdivision 1; Minnesota Statutes 1991 Supplement, sections 10A.322, subdivision 1; 10A.43, subdivision 3; 270A.03, subdivision 7; 289A.20, subdivision 4; 289A.26, subdivisions 1 and 6; 289A.37, subdivision 1; 289A.50, subdivision 1; 290A.04, subdivision 2h; 297A.135, subdivision 1, and by adding a subdivision; 297A.25, subdivision 12, as amended; 375.192, subdivision 2; Laws 1991, chapter 291, article 10, section 23; repealing Minnesota Statutes 1990, sections 10A.43, subdivision 5; 60A.15, subdivision 6; and 290A.03, subdivisions 12a and 14; Minnesota Statutes 1991 Supplement, sections 10A.322, subdivision 4; 290.06, subdivision 23; and 295.367.

The bill was read for the first time and referred to the Committee on Taxes.

Sviggum and Welker introduced:

H. F. No. 2748, A bill for an act relating to occupations and professions; providing that contractors with five or fewer employees are exempt from regulations as residential building contractors; amending Minnesota Statutes 1991 Supplement, section 326.84, subdivision 3.

The bill was read for the first time and referred to the Committee on Commerce.

Clark introduced:

H. F. No. 2749, A bill for an act relating to telecommunications; authorizing the telecommunications access for communication-impaired persons' board to advance money to contractors under certain conditions; prescribing the terms and compensation of board members; amending Minnesota Statutes 1990, sections 237.51, subdivision 3; and 237.52, subdivision 5.

The bill was read for the first time and referred to the Committee on Regulated Industries.



Bishop, Vellenga, Blatz and Welle introduced:

H. F. No. 2750, A bill for an act relating to human rights; defining certain terms; clarifying certain discriminatory practices; amending Minnesota Statutes 1990, sections 363.01, subdivision 35, and by adding subdivisions; 363.02, subdivision 1; 363.03, subdivisions 1, 2, 3, 4, and 10.

The bill was read for the first time and referred to the Committee on Judiciary.

Stanius, Valento, Runbeck and O'Connor introduced:

H. F. No. 2751, A bill for an act proposing an amendment to the Minnesota Constitution, article XIV, section 8; allowing money from the municipal state-aid street fund to be used for town roads.

The bill was read for the first time and referred to the Committee on Transportation.

Sparby introduced:

H. F. No. 2752, A bill for an act relating to commerce; trade practices; prohibiting certain practices by recreational equipment manufacturers; proposing coding for new law in Minnesota Statutes, chapter 325E.

The bill was read for the first time and referred to the Committee on Commerce.

Ozment; Johnson, R.; Marsh; Blatz and Pugh introduced:

H. F. No. 2753, A bill for an act relating to natural resources; providing for the prevention and suppression of wildfires in forest areas; providing penalties; amending Minnesota Statutes 1990, sections 88.01, subdivisions 2, 6, 8, 15, and by adding subdivisions; 88.02; 88.03; 88.04; 88.041; 88.05; 88.06; 88.065; 88.067; 88.08; 88.09, subdivision 2; 88.10; 88.11, subdivision 2; 88.12; 88.14; 88.15; 88.16; 88.17, subdivision 1; 88.18; and 88.22; proposing coding for new law in Minnesota Statutes, chapter 88; repealing Minnesota Statutes 1990, sections 88.17, subdivision 2; and 88.19.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Simoneau introduced:

H. F. No. 2754, A bill for an act relating to retirement; Columbia Heights paid firefighters relief association; authorizing the termination of the relief association; providing a procedure for the conversion of retirement benefits for the active and retired membership; continuing certain state aid payments; amending Laws 1965, chapter 605, sections 5, 16, 18 and 31; Laws 1975, chapter 424, section 13; and Laws 1977, chapter 374, sections 39, 40, 45, 47, 49, 51, as amended, and 54; repealing Laws 1965, chapter 605, sections 1, 2, 4, 5, 7, 8, 9, 10, 11, 13, 14, 15, 17, 19, 20, 21, 22, 23, 24, 25, 26, 27, 29, and 30; Laws 1975, chapter 424, sections 1, 2, 4, 5, 6, 7, 8, 9, 10, 11, and 12; Laws 1977, chapter 374, sections 38, 48, 52, 53, 56, 57, 58, and 59; Laws 1978, chapter 563, sections 29 and 30; Laws 1979, chapter 201, section 40; and Laws 1981, chapter 224, section 267.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Milbert; Carlson; Johnson, A., and McEachern introduced:

H. F. No. 2755, A bill for an act relating to education; authorizing a technical college operated by a school district to merge into a technical college operated by an intermediate school district; providing procedures for a merger; providing procedures for participation of that school district in that intermediate school district; proposing coding for new law in Minnesota Statutes, chapter 136D.

The bill was read for the first time and referred to the Committee on Education.

Rukavina introduced:

H. F. No. 2756, A bill for an act relating to the city of Virginia; authorizing annual increases in survivor benefits payable by the Virginia firefighters relief association.

The bill was read for the first time and referred to the Committee on Governmental Operations.

McGuire, Farrell, Vellenga and Valento introduced:

H. F. No. 2757, A bill for an act relating to courts; authorizing issuance of bonds to finance the construction of centrally located suburban Ramsey county court facility; amending Minnesota Statutes 1990, sections 488A.18, subdivision 10; and 488A.185; proposing coding for new law in Minnesota Statutes, chapter 488A.

The bill was read for the first time and referred to the Committee on Judiciary.

Sparby; Johnson, R., and Lieder introduced:

H. F. No. 2758, A bill for an act relating to snowmobiles; exempting testing activities from applicable speed limits under certain conditions; amending Minnesota Statutes 1990, section 84.87, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Jennings; Battaglia; Johnson, V.; Peterson and Reding introduced:

H. F. No. 2759, A bill for an act relating to waste management; adding provisions relating to permit fees for solid waste facilities; authorizing rulemaking; amending Minnesota Statutes 1991 Supplement, section 116.07, subdivision 4d.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Dempsey introduced:

H. F. No. 2760, A bill for an act relating to human services; providing for medical assistance coverage of personal care services provided outside the home when authorized by the responsible party; amending Minnesota Statutes 1991 Supplement, section 256B.0625, subdivision 19a.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Onnen introduced:

H. F. No. 2761, A bill for an act relating to human services; pertaining to costs of care and reimbursement under medical assistance; changing payment rates for physician services; allowing contracts with preferred provider programs; allowing reimbursement for wheelchairs and wheelchair accessories for ICF/MR recipients; allowing electronic claim submission for medical providers; altering conditions for medical assistance, general assistance medical care, and children's health plan programs; amending Minnesota Statutes 1990, sections 256.9655; 256.969, by adding a subdivision; 256.9695, subdivision 3; 256B.02, by adding subdivisions; 256B.03 by adding a subdivision; 256B.035; 256B.056, subdivisions 1a, 2, 3, 4, and by adding a subdivision; 256B.057, by adding a subdivision; 256B.059, subdivision 2; 256B.0595, subdivision 1; 256B.0625, by adding a subdivision; 256B.063; 256B.064, by adding a subdivision; 256B.14, subdivision 2; 256B.15, subdivisions 1, and 2; 256B.36;

256B.433, subdivisions 1, 2, and 3; 256D.02, by adding subdivisions; and 256D.03, by adding a subdivision; Minnesota Statutes 1991 Supplement, sections 254B.04, subdivision 1; 256.9685, subdivision 1; 256.969, subdivisions 1 and 2; 256B.0625, subdivision 13; 256B.064, subdivision 2; 256D.03, subdivision 3; Laws 1991, chapter 292, article 4, section 77, subdivisions 1 and 14; repealing Minnesota Statutes 1990, section 256B.056, subdivision 3a; Minnesota Statutes 1991 Supplement, sections 256.9657; 256B.74, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, and 10; and Laws 1991, chapter 292, article 4, section 79, subdivision 1.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Welker, Haukoos, Koppendrayer, Goodno and Gutknecht introduced:

H. F. No. 2762, A bill for an act relating to workers' compensation; regulating benefits, providers, dispute resolution, and insurance; appropriating money; imposing penalties; amending Minnesota Statutes 1990, sections 15A.083, subdivision 7; 79.095; 79.251, by adding subdivisions; 79.252, subdivisions 1 and 3; 79.55, subdivision 2; 79.56, by adding a subdivision; 79.58, subdivision 2; 79.61, subdivision 1; 175.007; 176.011, subdivisions 3, 11a, 18, 27, and by adding a subdivision; 176.021, subdivision 3; 176.041, subdivision 1a; 176.061, subdivision 10, and by adding a subdivision; 176.081, subdivisions 1, 2, and 3; 176.101, subdivisions 1, 2, 4, 5, 6, 8, and by adding subdivisions; 176.102, subdivisions 1, 2, 4, 6, 9, and 11; 176.103, subdivisions 2, 3, and by adding a subdivision; 176.105, subdivisions 1 and 4; 176.111, subdivisions 6, 7, 8, 12, 14, 15, 18, 20, and 21; 176.135, subdivisions 1, 5, 6, and 7; 176.136, subdivisions 1, 2, and by adding subdivisions; 176.179; 176.181, subdivision 3, and by adding a subdivision; 176.183; 176.215, by adding a subdivision; 176.221, subdivision 6a; 176.261; 176.305, subdivision 1; 176.351, subdivision 2a; 176.421, subdivision 7; 176.442; 176.461; 176.645, subdivisions 1 and 2; 176.66, subdivision 11; 176.82; 176.83, subdivision 5, and by adding a subdivision; 176A.03, by adding a subdivision; 221.141, subdivision 1; 268.08, subdivision 3; 353.33, subdivision 5; 480A.06, subdivisions 3 and 4; 609.52, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 79; and 176; repealing Minnesota Statutes 1990, sections 79.54; 79.57; 79.58, subdivision 1; 175A.01; 175A.02; 175A.03; 175A.04; 175A.05; 175A.06; 175A.07; 175A.08; 175A.09; 175A.10; 176.011, subdivision 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; 176.106; 176.111, subdivision 8a; 176.131; 176.132; 176.135, subdivision 3; and 176.136, subdivision 5.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Leppik, Segal, Henry and Lynch introduced:

H. F. No. 2763, A bill for an act relating to human services; revising conditions covered under Minnesota family investment plan; expanding persons considered when determining family income; delaying the date of implementation for field trials of Minnesota family investment plan; amending Minnesota Statutes 1991 Supplement, sections 256.031, subdivision 3; 256.033, subdivisions 1, 2, 3, and 5; 256.034, subdivision 3; 256.035, subdivision 1; and 256.0361, subdivision 2.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Lynch introduced:

H. F. No. 2764, A bill for an act relating to human services; providing that the council for the hearing impaired does not expire; amending duties of the council for the hearing impaired; amending Minnesota Statutes 1990, section 256C.28, subdivisions 2 and 3.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Dorn introduced:

H. F. No. 2765, A bill for an act relating to health; modifying replacement restrictions under the nursing home moratorium exception process; amending Minnesota Statutes 1990, section 144A.073, subdivision 5.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Hartle, Schafer, Leppik, Tunheim and Olson, K., introduced:

H. F. No. 2766, A bill for an act relating to education; changing formulas for revenue reduction; amending Minnesota Statutes 1991 Supplement, section 124A.26, subdivision 1.

The bill was read for the first time and referred to the Committee on Education.

Simoneau introduced:

H. F. No. 2767, A bill for an act relating to the public defense system; providing that the public defense systems of Hennepin and

Ramsey counties are independent from the state public defense system; providing for state aid payment of 50 percent of public defense services in Hennepin and Ramsey counties; amending Minnesota Statutes 1990, sections 475.53, by adding a subdivision; 477A.012, subdivisions 2 and 3; 611.26, by adding a subdivision; and 611.27, subdivision 2, and by adding a subdivision; Minnesota Statutes 1991 Supplement, sections 477A.012, subdivision 6; 611.215, subdivision 2; 611.25; 611.26, subdivisions 2, 3, 4, 10, and by adding a subdivision; and 611.27, subdivisions 1, 4, 5, 6, and 7.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Carlson, Dorn, Limmer, Morrison and Hasskamp introduced:

H. F. No. 2768, A bill for an act relating to education; transferring functions of the higher education coordinating board; changing the membership, terms, and functions of the higher education board; allowing the merger of certain technical colleges by agreement; requiring the merger of certain technical and community colleges similarly located; amending Minnesota Statutes 1991 Supplement, sections 15A.081, subdivision 7b; 136E.01; 136E.02; 179A.10, subdivision 2; Laws 1991, chapter 356, article 9, section 8, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 136E; repealing Minnesota Statutes 1990, sections 136A.01; 136A.02; 136A.03; Minnesota Statutes 1991 Supplement, sections 135A.061; 135A.50; 136A.04; 136E.03; 136E.04; 136E.05; Laws 1991, chapter 356, article 9, section 8, subdivisions 3 to 9; and sections 9 to 16.

The bill was read for the first time and referred to the Committee on Education.

Rukavina introduced:

H. F. No. 2769, A bill for an act relating to retirement; providing for the calculation of pension increases for the Virginia police relief association.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Segal introduced:

H. F. No. 2770, A bill for an act relating to the department of jobs and training; establishing standards for supported employment services; requiring cooperation among departments; proposing coding for new law in Minnesota Statutes, chapter 252.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Dempsey introduced:

H. F. No. 2771, A bill for an act relating to human services; home care; expanding duties of interagency long-term planning committee; clarifying definitions; regulating personal care services, funding for alternative care services, and private nursing services; providing for reimbursement for nursing facilities; providing for case assessments; expanding persons responsible for conducting preadmission screening; expanding funding for services for nonmedical assistance recipients; establishing a statewide caregiver support and respite care project; establishing traumatic brain injury case management; changing conditions under the SAIL project; adjusting the rate for home- and community-based waived services; amending Minnesota Statutes 1990, section 256B.0625, by adding a subdivision; Minnesota Statutes 1991 Supplement, sections 144A.31, subdivision 2a; 256.9751, subdivisions 1 and 6; 256B.0625, subdivision 19a; 256B.0627, subdivisions 1, 4, and 5; 256B.0911, subdivisions 3, 7, 8, and by adding a subdivision; 256B.0913, subdivisions 4, 5, 8, 11, 12, and 14; 256B.0915, subdivision 3, and by adding subdivisions; 256B.0917, subdivisions 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, and by adding a subdivision; 256B.093, subdivisions 1, 2, and 3; and 256B.49, subdivision 4; proposing coding for new law in Minnesota Statutes, chapters 256B; and 256I.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Ozment and Runbeck introduced:

H. F. No. 2772, A bill for an act relating to education; making technical, substantive, and clarifying changes to certain provisions governing programs administered by the department; appropriating money; amending Minnesota Statutes 1990, sections 120.101, subdivision 5; 120.102, subdivision 1; 120.17, subdivisions 3a and 16; 122.22, by adding a subdivision; 122.23, subdivision 13, and by adding a subdivision; 122.247, subdivision 1; 122.531, subdivisions 1a, 2, 2a, 2b, 2c, and by adding a subdivision; 122.532, subdivision 2; 124C.61; 126.12, subdivision 2; 126.22, by adding a subdivision; 275.125, subdivision 10; Minnesota Statutes 1991 Supplement, sections 120.062, subdivision 8a; 120.17, subdivision 3b; 120.181; 122.22, subdivision 9; 122.23, subdivision 2; 122.242, subdivision 9; 124.19, subdivisions 1 and 1b; 124.214, subdivisions 2 and 3; 124.2601, subdivision 6; 124A.03, subdivisions 2 and 2a; 125.185, subdivision 4a; 125.62, subdivision 6; 275.065, subdivision 1; 373.42, subdivision 2; Laws 1991, chapter 265, articles 3, section 39, subdivision 16; 4, section 30, subdivision 11; 7, section 41, subdivi-

sion 4; 8, section 14 and section 19, subdivision 14; proposing coding for new law in Minnesota Statutes, chapter 124A; repealing Minnesota Statutes 1990, sections 121.25; 121.26; 121.27; 121.28; and 124.19, subdivision 4.

The bill was read for the first time and referred to the Committee on Education.

Morrison, Dawkins, Schreiber, Ogren and Clark introduced:

H. F. No. 2773, A bill for an act relating to housing and redevelopment authorities; permitting use of general obligation bonds for housing projects; amending Minnesota Statutes 1990, section 469.034.

The bill was read for the first time and referred to the Committee on Housing.

Wenzel, Krueger, Omann, Bertram and Koppendrayner introduced:

H. F. No. 2774, A bill for an act relating to capital improvements; authorizing the issuance of state bonds for the Minnesota national guard education center; appropriating money.

The bill was read for the first time and referred to the Committee on Appropriations.

Dempsey introduced:

H. F. No. 2775, A bill for an act relating to motor fuels; authorizing commissioner of public safety to make and administer interstate fuel tax agreements; imposing decal fee on interstate motor carriers; amending Minnesota Statutes 1990, section 168.187, subdivisions 17 and 26; proposing coding for new law in Minnesota Statutes, chapter 296; repealing Minnesota Statutes 1990, section 296.17, subdivision 9a.

The bill was read for the first time and referred to the Committee on Transportation.

Olson, K.; Brown and Reding introduced:

H. F. No. 2776, A bill for an act relating to telecommunications; establishing a grant and loan program to assist political subdivisions of the state and other public entities to participate in regional or statewide telecommunications systems; authorizing the issuance and sale of state bonds for the program; appropriating money.



The bill was read for the first time and referred to the Committee on Governmental Operations.

O'Connor introduced:

H. F. No. 2777, A bill for an act relating to occupations and professions; amending the definition of high pressure piping; amending Minnesota Statutes 1990, section 326.461, subdivision 2.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

### CONSENT CALENDAR

H. F. No. 1763 was reported to the House.

Welle moved that H. F. No. 1763 be continued on the Consent Calendar. The motion prevailed.

H. F. No. 1911, A bill for an act relating to Hubbard county; authorizing the private sale of certain land which was exchanged for tax-forfeited land.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Clark	Gutknecht	Johnson, V.	Mariani
Anderson, I.	Cooper	Hanson	Kahn	Marsh
Anderson, R.	Dauner	Hartle	Kalis	McEachern
Anderson, R. H.	Davids	Hasskamp	Kelso	McGuire
Battaglia	Dawkins	Haukoos	Kinkel	McPherson
Bauerly	Dempsey	Hausman	Knickerbocker	Milbert
Beard	Dille	Heir	Koppendrayner	Morrison
Begich	Dorn	Henry	Krambeer	Munger
Bertram	Erhardt	Hufnagle	Krinkie	Murphy
Bettermann	Farrell	Hugoson	Krueger	Nelson, K.
Bishop	Frederick	Jacobs	Lasley	Nelson, S.
Blatz	Frerichs	Janezich	Leppik	Newinski
Bodahl	Garcia	Jaros	Lieder	O'Connor
Boo	Girard	Jefferson	Limmer	Ogren
Brown	Goodno	Jennings	Lourey	Olsen, S.
Carlson	Greenfield	Johnson, A.	Lynch	Olson, E.
Carruthers	Gruenes	Johnson, R.	Macklin	Olson, K.

Omann	Pelowski	Schreiber	Sviggum	Wagenius
Onnen	Peterson	Seaberg	Swenson	Waltman
Orenstein	Pugh	Simoneau	Thompson	Weaver
Orfield	Reding	Skoglund	Tompkins	Wejman
Osthoff	Rest	Smith	Trimble	Welker
Ostrom	Rice	Solberg	Tunheim	Welle
Ozment	Runbeck	Sparby	Uphus	Wenzel
Pauly	Sarna	Stanius	Valento	Winter
Pellow	Schafer	Steenasma	Vanasek	Spk. Long

The bill was passed and its title agreed to.

H. F. No. 1979 was reported to the House.

Jefferson moved that H.F. No. 1979 be placed at the beginning of General Orders. The motion prevailed.

H. F. No. 2259, A bill for an act relating to retirement; setting an earlier accrual date for a certain retired member of the state retirement system.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Farrell	Kahn	Nelson, S.	Simoneau
Anderson, I.	Frederick	Kalis	Newinski	Skoglund
Anderson, R.	Frerichs	Kelso	O'Connor	Smith
Anderson, R. H.	Garcia	Kinkel	Ogren	Solberg
Battaglia	Girard	Knickerbocker	Olsen, S.	Sparby
Bauerly	Goodno	Koppendrayner	Olson, E.	Stanius
Beard	Greenfield	Krambeer	Omann	Steenasma
Begich	Gruenes	Krinkie	Onnen	Sviggum
Bertram	Gutknecht	Krueger	Orenstein	Swenson
Bettermann	Hanson	Lasley	Orfield	Thompson
Bishop	Hartle	Leppik	Osthoff	Tompkins
Blatz	Hasskamp	Lieder	Ostrom	Trimble
Bodahl	Haukoos	Limmer	Ozment	Tunheim
Boo	Hausman	Lourey	Pauly	Uphus
Brown	Heir	Lynch	Pellow	Valento
Carlson	Henry	Macklin	Pelowski	Vanasek
Carruthers	Hufnagle	Mariani	Peterson	Wagenius
Clark	Hugoson	Marsh	Pugh	Waltman
Cooper	Jacobs	McEachern	Reding	Weaver
Dauner	Janezich	McGuire	Rest	Wejman
Davids	Jaros	McPherson	Rice	Welker
Dawkins	Jefferson	Milbert	Runbeck	Welle
Dempsey	Jennings	Morrison	Sarna	Wenzel
Dille	Johnson, A.	Munger	Schafer	Winter
Dorn	Johnson, R.	Murphy	Schreiber	Spk. Long
Erhardt	Johnson, V.	Nelson, K.	Seaberg	

The bill was passed and its title agreed to.

REPORT FROM THE COMMITTEE ON RULES AND  
LEGISLATIVE ADMINISTRATION

Welle, from the Committee on Rules and Legislative Administration, pursuant to rule 1.09, designated the following bills as Special Orders to be acted upon immediately preceding General Orders for today, Monday, March 9, 1992:

H. F. Nos. 2002 and 917; S. F. No. 1623; and H. F. Nos. 2142, 1827, 1833 and 2044.

**SPECIAL ORDERS**

H. F. No. 2002, A bill for an act relating to community service; directing the Minnesota office on volunteer services to prepare a federal grant proposal.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Farrell	Kahn	Nelson, S.	Seaberg
Anderson, I.	Frederick	Kalis	Newinski	Simoneau
Anderson, R.	Frerichs	Kelso	O'Connor	Skoglund
Anderson, R. H.	Garcia	Kinkel	Ogren	Smith
Battaglia	Girard	Knickerbocker	Olsen, S.	Solberg
Bauerly	Goodno	Koppendraye	Olson, E.	Sparby
Beard	Greenfield	Krambeer	Olson, K.	Stanius
Begich	Gruenes	Krinkie	Omann	Steensma
Bertram	Gutknecht	Krueger	Onnen	Sviggum
Bettermann	Hanson	Lasley	Orenstein	Swenson
Bishop	Hartle	Leppik	Orfield	Thompson
Blatz	Hasskamp	Lieder	Osthoff	Tompkins
Bodahl	Haukoos	Limmer	Ostrom	Trimble
Boo	Hausman	Lourey	Ozment	Tunheim
Brown	Heir	Lynch	Pauly	Uphus
Carlson	Henry	Macklin	Pellow	Valento
Carruthers	Hufnagle	Mariani	Pelowski	Vanasek
Clark	Hugoson	Marsh	Peterson	Wagenius
Cooper	Jacobs	McEachern	Pugh	Waltman
Dauner	Janezich	McGuire	Reding	Weaver
Davids	Jaros	McPherson	Rest	Wejcmann
Dawkins	Jefferson	Milbert	Rice	Welker
Dempsey	Jennings	Morrison	Runbeck	Welle
Dille	Johnson, A.	Munger	Sarna	Wenzel
Dorn	Johnson, R.	Murphy	Schafer	Winter
Erhardt	Johnson, V.	Nelson, K.	Schreiber	Spk. Long

The bill was passed and its title agreed to.

H. F. No. 917, A bill for an act relating to commerce; requiring additional license for motor vehicle lessor, wholesaler, or auctioneer when establishing additional place of doing business in a second class city outside of the metropolitan area; amending Minnesota Statutes 1990, section 168.27, subdivision 10.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Farrell	Kahn	Nelson, S.	Seaberg
Anderson, I.	Frederick	Kalis	Newinski	Simoneau
Anderson, R.	Frerichs	Kelso	O'Connor	Skoglund
Anderson, R. H.	Garcia	Kinkel	Ogren	Smith
Battaglia	Girard	Knickerbocker	Olsen, S.	Solberg
Bauerly	Goodno	Koppendrayner	Olsen, E.	Sparby
Beard	Greenfield	Krambeer	Olsen, K.	Stanius
Begich	Gruenes	Krinkie	Omann	Steensma
Bertram	Gutknecht	Krueger	Onnen	Svigum
Bettermann	Hanson	Lasley	Orenstein	Swenson
Bishop	Hartle	Leppik	Orfield	Thompson
Blatz	Hasskamp	Lieder	Osthoff	Tompkins
Bodahl	Haukoos	Limmer	Ostrom	Trimble
Boo	Hausman	Lourey	Ozment	Tunheim
Brown	Heir	Lynch	Pauly	Uphus
Carlson	Henry	Macklin	Pellow	Valento
Carruthers	Hufnagle	Mariani	Pelowski	Vanasek
Clark	Hugoson	Marsh	Peterson	Wagenius
Cooper	Jacobs	McEachern	Pugh	Waltman
Dauner	Janezich	McGuire	Reding	Weaver
Dauids	Jaros	McPherson	Rest	Wejcman
Dawkins	Jefferson	Milbert	Rice	Welker
Dempsey	Jennings	Morrison	Runbeck	Welle
Dille	Johnson, A.	Munger	Sarna	Wenzel
Dorn	Johnson, R.	Murphy	Schafer	Winter
Erhardt	Johnson, V.	Nelson, K.	Schreiber	Spk. Long

The bill was passed and its title agreed to.

S. F. No. 1623, A bill for an act relating to alcoholic beverages; authorizing the issuance of an on-sale intoxicating liquor license.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Farrell	Kahn	Nelson, S.	Simoneau
Anderson, I.	Frederick	Kalis	Newinski	Smith
Anderson, R.	Frerichs	Kelso	O'Connor	Solberg
Anderson, R. H.	Garcia	Kinkel	Ogren	Sparby
Battaglia	Girard	Knickerbocker	Olson, S.	Stanius
Bauerly	Goodno	Koppendraye	Olson, E.	Steensma
Beard	Greenfield	Krambeer	Olson, K.	Sviggum
Begich	Gruenes	Krinkie	Omann	Swenson
Bertram	Gutknecht	Krueger	Onnen	Thompson
Bettermann	Hanson	Lasley	Orenstein	Tompkins
Bishop	Hartle	Leppik	Orfield	Trimble
Blatz	Hasskamp	Lieder	Osthoff	Tunheim
Bodahl	Haukoos	Limmer	Ostrom	Uphus
Boo	Hausman	Lourey	Ozment	Valento
Brown	Heir	Lynch	Pauly	Vanasek
Carlson	Henry	Macklin	Pellow	Wagenius
Carruthers	Hufnagle	Mariani	Pelowski	Waltman
Clark	Hugoson	Marsh	Peterson	Weaver
Cooper	Jacobs	McEachern	Pugh	Wejcmann
Dauner	Janezich	McGuire	Reding	Welker
Dauids	Jaros	McPherson	Rest	Welle
Dawkins	Jefferson	Milbert	Runbeck	Wenzel
Dempsey	Jennings	Morrison	Sarna	Winter
Dille	Johnson, A.	Munger	Schafer	Spk. Long
Dorn	Johnson, R.	Murphy	Schreiber	
Erhardt	Johnson, V.	Nelson, K.	Seaberg	

The bill was passed and its title agreed to.

H. F. No. 2142, A bill for an act relating to employment; leaves of absence; assigning duties to the division of labor standards; modifying provisions relating to school conference leave for employees with children; amending Minnesota Statutes 1990, sections 177.26, subdivision 2; and 181.9412; proposing coding for new law in Minnesota Statutes, chapter 181.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 118 yeas and 12 nays as follows:

Those who voted in the affirmative were:

Abrams	Boo	Goodno	Jennings	Leppik
Anderson, I.	Brown	Greenfield	Johnson, A.	Lieder
Anderson, R.	Carlson	Gruenes	Johnson, R.	Limmer
Anderson, R. H.	Carruthers	Gutknecht	Johnson, V.	Lourey
Battaglia	Clark	Hanson	Kahn	Lynch
Bauerly	Cooper	Hartle	Kalis	Macklin
Beard	Dawkins	Hasskamp	Kelso	Mariani
Begich	Dille	Hausman	Kinkel	Marsh
Bertram	Dorn	Henry	Knickerbocker	McEachern
Bettermann	Erhardt	Jacobs	Koppendraye	McGuire
Bishop	Farrell	Janezich	Krambeer	McPherson
Blatz	Frederick	Jaros	Krueger	Milbert
Bodahl	Garcia	Jefferson	Lasley	Morrison

Munger	Onnen	Reding	Solberg	Vanasek
Murphy	Orenstein	Rest	Sparby	Wagenius
Nelson, K.	Orfield	Rice	Stanius	Waltman
Nelson, S.	Osthoff	Runbeck	Steensma	Weaver
Newinski	Ostrom	Sarna	Swenson	Wejcman
O'Connor	Ozment	Schafer	Thompson	Welle
Ogren	Pauly	Schreiber	Tompkins	Wenzel
Olsen, S.	Pellow	Seaberg	Trimble	Winter
Olson, E.	Pelowski	Simoneau	Tunheim	Spk. Long
Olson, K.	Peterson	Skoglund	Uphus	
Omann	Pugh	Smith	Valento	

Those who voted in the negative were:

Dauner	Frerichs	Heir	Krinkie
Dauids	Girard	Hufnagle	Sviggum
Dempsey	Haukoos	Hugoson	Welker

The bill was passed and its title agreed to.

H. F. No. 1827, A bill for an act relating to livestock diseases; modifying requirements for certain tests; providing for adoption of certain rules; amending Minnesota Statutes 1990, sections 35.245, subdivisions 1 and 2; and 35.251; proposing coding for new law in Minnesota Statutes, chapter 35; repealing Minnesota Statutes 1990, section 35.245, subdivision 1a.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dorn	Jennings	McPherson	Pugh
Anderson, I.	Erhardt	Johnson, A.	Milbert	Reding
Anderson, R.	Farrell	Johnson, R.	Morrison	Rest
Anderson, R. H.	Frederick	Johnson, V.	Munger	Rice
Battaglia	Frerichs	Kahn	Murphy	Runbeck
Bauerly	Garcia	Kalis	Nelson, K.	Sarna
Beard	Girard	Kelso	Nelson, S.	Schafer
Begich	Goodno	Kinkel	Newinski	Schreiber
Bertram	Greenfield	Knickerbocker	O'Connor	Seaberg
Bettermann	Gruenes	Koppendrayer	Ogren	Simoneau
Bishop	Gutknecht	Krambeer	Olsen, S.	Skoglund
Blatz	Hanson	Krinkie	Olson, E.	Smith
Bodahl	Hartle	Krueger	Olson, K.	Solberg
Boo	Hasskamp	Lasley	Omann	Sparby
Brown	Haukoos	Leppik	Onnen	Stanius
Carlson	Hausman	Lieder	Orenstein	Steensma
Carruthers	Heir	Limmer	Orfield	Sviggum
Clark	Henry	Lourey	Osthoff	Swenson
Cooper	Hufnagle	Lynch	Ostrom	Thompson
Dauner	Hugoson	Macklin	Ozment	Tompkins
Dauids	Jacobs	Mariani	Pauly	Trimble
Dawkins	Janezich	Marsh	Pellow	Tunheim
Dempsey	Jaros	McEachern	Pelowski	Uphus
Dille	Jefferson	McGuire	Peterson	Valento

Vanasek  
Vellenga  
Wagenius

Waltman  
Weaver  
Wejzman

Welker  
Welle  
Wenzel

Winter  
Spk. Long

The bill was passed and its title agreed to.

H. F. No. 1833, A bill for an act relating to traffic regulations; permitting certain cities to provide for volunteer enforcement of certain regulations; amending Minnesota Statutes 1990, section 169.346, by adding a subdivision.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 113 yeas and 17 nays as follows:

Those who voted in the affirmative were:

Abrams	Farrell	Kinkel	Ogren	Stanius
Anderson, I.	Frederick	Knickerbocker	Olsen, S.	Steensma
Anderson, R.	Garcia	Koppndrayer	Olson, K.	Sviggum
Anderson, R. H.	Goodno	Krambeer	Omann	Swenson
Battaglia	Greenfield	Lasley	Onnen	Thompson
Bauerly	Gruenes	Leppik	Orenstein	Tompkins
Beard	Hanson	Lieder	Orfeld	Trimble
Begich	Hartle	Limmer	Ostrom	Tunheim
Bertram	Hasskamp	Lourey	Ozment	Uphus
Bettermann	Haukoos	Lynch	Pauly	Valento
Bishop	Hausman	Macklin	Pelowski	Vanasek
Blatz	Hejr	Mariani	Peterson	Vellenga
Bodahl	Henry	McEachern	Pugh	Wagenius
Brown	Jacobs	McGuire	Reding	Waltman
Carlson	Janezich	McPherson	Rest	Weaver
Carruthers	Jaros	Milbert	Rice	Wejzman
Clark	Jefferson	Morrison	Runbeck	Welker
Cooper	Jennings	Munger	Sarna	Welle
Dauner	Johnson, A.	Murphy	Simoneau	Wenzel
Dawkins	Johnson, R.	Nelson, K.	Skoglund	Winter
Dille	Kahn	Nelson, S.	Smith	Spk. Long
Dorn	Kalis	Newinski	Solberg	
Erhardt	Kelso	O'Connor	Sparby	

Those who voted in the negative were:

Boo	Girard	Johnson, V.	Osthoff	Seaberg
Davids	Gutknecht	Krinkie	Pellow	
Dempsey	Hufnagle	Marsh	Schafer	
Ferichs	Hugoson	Olson, E.	Schreiber	

The bill was passed and its title agreed to.

H. F. No. 2044, A bill for an act relating to water; creating an exemption from certain requirements relating to once-through water use permits; amending Minnesota Statutes 1990, section 103G.271, subdivision 5.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Kelso	Ogren	Solberg
Anderson, I.	Frerichs	Kinkel	Olsen, S.	Sparby
Anderson, R.	Garcia	Knickerbocker	Olson, E.	Stanius
Anderson, R. H.	Girard	Koppendrayner	Olson, K.	Steensma
Battaglia	Goodno	Krambeer	Omann	Sviggum
Bauerly	Greenfield	Krinkie	Onnen	Swenson
Beard	Gruenes	Krueger	Orenstein	Thompson
Begich	Gutknecht	Lasley	Orfield	Tompkins
Bertram	Hanson	Leppik	Osthoff	Trimble
Bettermann	Hartle	Lieder	Ostrom	Tunheim
Bishop	Hasskamp	Limmer	Ozment	Uphus
Blatz	Haukoos	Lourey	Pauly	Valento
Bodahl	Hausman	Lynch	Pellow	Vanasek
Boo	Heir	Macklin	Pelowski	Vellenga
Brown	Henry	Mariani	Peterson	Wagenius
Carlson	Hufnagle	Marsh	Pugh	Waltman
Carruthers	Hugoson	McEachern	Reding	Weaver
Clark	Jacobs	McGuire	Rest	Wejcman
Cooper	Janezich	McPherson	Rice	Welker
Dauner	Jaros	Milbert	Runbeck	Welle
Davids	Jefferson	Morrison	Sarna	Wenzel
Dawkins	Jennings	Munger	Schafer	Winter
Dempsey	Johnson, A.	Murphy	Schreiber	Spk. Long
Dille	Johnson, R.	Nelson, K.	Seaberg	
Dorn	Johnson, V.	Nelson, S.	Simoneau	
Erhardt	Kahn	Newinski	Skoglund	
Farrell	Kalis	O'Connor	Smith	

The bill was passed and its title agreed to.

## GENERAL ORDERS

Welle moved that the bills on General Orders for today be continued. The motion prevailed.

## MOTIONS AND RESOLUTIONS

Solberg moved that his name be added as chief author on H. F. No. 1416. The motion prevailed.

Segal moved that the name of Clark be added as an author on H. F. No. 2041. The motion prevailed.

Segal moved that the name of Clark be added as an author on H. F. No. 2117. The motion prevailed.



Lieder moved that his name be stricken as an author on H. F. No. 2153. The motion prevailed.

Cooper moved that the names of Peterson and Wenzel be added as authors on H. F. No. 2354. The motion prevailed.

Reding moved that the name of Haukoos be added as an author on H. F. No. 2390. The motion prevailed.

O'Connor moved that the name of Olsen, S., be added as an author on H. F. No. 2433. The motion prevailed.

McGuire moved that the name of Limmer be added as an author on H. F. No. 2436. The motion prevailed.

Weaver moved that the name of Gutknecht be added as an author on H. F. No. 2458. The motion prevailed.

Frederick moved that the name of McPherson be added as an author on H. F. No. 2465. The motion prevailed.

Welker moved that the name of McPherson be added as an author on H. F. No. 2500. The motion prevailed.

Bauerly moved that the names of Tunheim, Omann and Segal be added as authors on H. F. No. 2549. The motion prevailed.

Jefferson moved that the name of Clark be added as an author on H. F. No. 2553. The motion prevailed.

Hufnagle moved that the name of McPherson be added as an author on H. F. No. 2568. The motion prevailed.

Stanis moved that the name of Krambeer be added as an author on H. F. No. 2570. The motion prevailed.

Schreiber moved that the name of Krambeer be added as an author on H. F. No. 2589. The motion prevailed.

Stanis moved that the name of Krambeer be added as an author on H. F. No. 2592. The motion prevailed.

Anderson, I., moved that H. F. No. 2280 be recalled from the Committee on Local Government and Metropolitan Affairs and be re-referred to the Committee on Environment and Natural Resources. The motion prevailed.

Rice moved that H. F. No. 2302 be recalled from the Committee on Local Government and Metropolitan Affairs and be re-referred to the Committee on Economic Development. The motion prevailed.

Tompkins moved that H. F. No. 1992 be recalled from the Committee on Health and Human Services and be re-referred to the Committee on Environment and Natural Resources. The motion prevailed.

Weaver moved that H. F. No. 2458 be recalled from the Committee on Health and Human Services and be re-referred to the Committee on Judiciary. The motion prevailed.

Bertram moved that H. F. No. 2255 be recalled from the Committee on Economic Development and be re-referred to the Committee on Taxes. The motion prevailed.

Uphus moved that H. F. No. 2640 be recalled from the Committee on Agriculture and be re-referred to the Committee on Regulated Industries. The motion prevailed.

Simoneau moved that H. F. No. 1989, now on General Orders, be re-referred to the Committee on Appropriations. The motion prevailed.

Simoneau moved that H. F. No. 2084, now on General Orders, be re-referred to the Committee on Appropriations. The motion prevailed.

Simoneau moved that H. F. No. 2150, now on Technical General Orders, be re-referred to the Committee on Appropriations. The motion prevailed.

Simoneau moved that H. F. No. 2335, now on General Orders, be re-referred to the Committee on Appropriations. The motion prevailed.

Simoneau moved that H. F. No. 2381, now on Technical General Orders, be re-referred to the Committee on Appropriations. The motion prevailed.

## ADJOURNMENT

Welle moved that when the House adjourns today it adjourn until 12:00 noon, Tuesday, March 10, 1992. The motion prevailed.

Welle moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 12:00 noon, Tuesday, March 10, 1992.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



## STATE OF MINNESOTA

## SEVENTY-SEVENTH SESSION—1992

## SEVENTY-FIFTH DAY

SAINT PAUL, MINNESOTA, TUESDAY, MARCH 10, 1992

The House of Representatives convened at 12:00 noon and was called to order by Dee Long, Speaker of the House.

Prayer was offered by Monsignor James D. Habiger, House Chaplain.

The roll was called and the following members were present:

Abrams	Farrell	Kelso	Ogren	Simoneau
Anderson, I.	Frederick	Kinkel	Olsen, S.	Skoglund
Anderson, R.	Frerichs	Knickerbocker	Olsen, E.	Smith
Anderson, R. H.	Garcia	Koppendrayer	Olson, K.	Solberg
Battaglia	Girard	Krambeer	Omann	Sparby
Bauerly	Goodno	Krinkie	Onnen	Stanius
Beard	Greenfield	Krueger	Orenstein	Steensma
Begich	Gruenes	Lasley	Orfield	Sviggum
Bertram	Gutknacht	Leppik	Osthoff	Swenson
Bettermann	Hanson	Lieder	Ostrom	Thompson
Bishop	Hartle	Limmer	Ozment	Tompkins
Blatz	Hasskamp	Lourey	Pauly	Trimble
Bodahl	Haukoos	Lynch	Pellow	Tunheim
Boo	Hausman	Macklin	Pelowski	Uphus
Brown	Heir	Mariani	Peterson	Valento
Carlson	Henry	Marsh	Pugh	Vanasek
Carruthers	Hufnagle	McEachern	Reding	Vellenga
Clark	Hugoson	McGuire	Rest	Wagenius
Cooper	Jacobs	McPherson	Rice	Waltman
Dauner	Janezich	Milbert	Rodosovich	Weaver
Davids	Jaros	Morrison	Runbeck	Wejeman
Dawkins	Jefferson	Munger	Sarna	Welker
Dempsey	Jennings	Murphy	Schafer	Welle
Dille	Johnson, R.	Nelson, S.	Schreiber	Wenzel
Dorn	Johnson, V.	Newinski	Seaberg	Winter
Erhardt	Kalis	O'Connor	Segal	Spk. Long

A quorum was present.

Johnson, A.; Kahn; Nelson, K., and Rukavina were excused.

The Chief Clerk proceeded to read the Journal of the preceding day. Winter moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

**REPORTS OF STANDING COMMITTEES**

Skoglund from the Committee on Financial Institutions and Insurance to which was referred:

H. F. No. 1791, A bill for an act relating to insurance; Minnesota comprehensive health association; increasing the maximum lifetime benefit amounts of certain state plan coverages; extending the effective date of the authorization of use of experimental delivery methods; amending Minnesota Statutes 1991 Supplement, sections 62E.10, subdivision 9; and 62E.12.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1

Section 1. Minnesota Statutes 1991 Supplement, section 62A.31, subdivision 1, is amended to read:

Subdivision 1. [POLICY REQUIREMENTS.] No individual or group policy, certificate, subscriber contract or other evidence of accident and health insurance the effect or purpose of which is to supplement Medicare coverage issued or delivered in this state or offered to a resident of this state shall be sold or issued to an individual covered by Medicare unless the following requirements are met:

(a) The policy must provide a minimum of the coverage set out in subdivision 2; and section 62E.07.

(b) The policy must cover preexisting conditions during the first six months of coverage if the insured was not diagnosed or treated for the particular condition during the 90 days immediately preceding the effective date of coverage;.

(c) The policy must contain a provision that the plan will not be canceled or nonrenewed on the grounds of the deterioration of health of the insured;.

(d) Before the policy is sold or issued, an offer of both categories of Medicare supplement insurance has been made to the individual, together with an explanation of both coverages;.

(e) An outline of coverage as provided in section 62A.39 must be delivered at the time of application and prior to payment of any premium;.

(f)(1) The policy must provide that benefits and premiums under the policy shall be suspended at the request of the policyholder for the period, not to exceed 24 months, in which the policyholder has applied for and is determined to be entitled to medical assistance under title XIX of the Social Security Act, but only if the policyholder notifies the issuer of the policy within 90 days after the date the individual becomes entitled to this assistance;

(2) if suspension occurs and if the policyholder or certificate holder loses entitlement to this medical assistance, the policy shall be automatically reinstated, effective as of the date of termination of this entitlement, if the policyholder provides notice of loss of the entitlement within 90 days after the date of the loss;

(3) the policy must provide that upon reinstatement (i) there is no additional waiting period with respect to treatment of preexisting conditions, (ii) coverage is provided which is substantially equivalent to coverage in effect before the date of the suspension, and (iii) premiums are classified on terms that are at least as favorable to the policyholder or certificate holder as the premium classification terms that would have applied to the policyholder or certificate holder had coverage not been suspended;

(g) The written statement required by an application for Medicare supplement insurance pursuant to section 62A.43, subdivision 1, shall be made on a form, approved by the commissioner, that states that counseling services may be available in the state to provide advice concerning the purchase of Medicare supplement policies and enrollment under the Medicaid program;

(h) No issuer of Medicare supplement policies, including policies that supplement Medicare issued by health maintenance organizations or those policies governed by section 1833 or 1876 of the federal Social Security Act, United States Code, title 42, section 1395, et seq., in this state may impose preexisting condition limitations or otherwise deny or condition the issuance or effectiveness of any Medicare supplement insurance policy form available for sale in this state, nor may it discriminate in the pricing of such a policy, because of the health status, claims experience, receipt of health care, or medical condition of an applicant where an application for such insurance is submitted during the six-month period beginning with the first month in which an individual first enrolled for benefits under Medicare Part B;

(i) If a Medicare supplement policy replaces another Medicare supplement policy, the issuer of the replacing policy shall waive any time periods applicable to preexisting conditions, waiting periods, elimination periods, and probationary periods in the new Medicare supplement policy for ~~similar~~ benefits to the extent the time was spent under the original policy;

(j) The policy has been filed with and approved by the department as meeting all the requirements of sections 62A.31 to 62A.44; and,

(k) The policy guarantees renewability.

Only the following standards for renewability may be used in Medicare supplement insurance policy forms.

No issuer of Medicare supplement insurance policies may cancel or nonrenew a Medicare supplement policy or certificate for any reason other than nonpayment of premium or material misrepresentation.

If a group Medicare supplement insurance policy is terminated by the group policyholder and is not replaced as provided in this clause, the issuer shall offer certificate holders an individual Medicare supplement policy which, at the option of the certificate holder, provides for continuation of the benefits contained in the group policy; or provides for such benefits and benefit packages as otherwise meet the requirements of this clause.

If an individual is a certificate holder in a group Medicare supplement insurance policy and the individual terminates membership in the group, the issuer of the policy shall offer the certificate holder the conversion opportunities described in this clause; or offer the certificate holder continuation of coverage under the group policy.

(l) A Medicare supplement policy or certificate shall not indemnify against losses resulting from sickness on a different basis than losses resulting from accidents.

(m) A Medicare supplement policy or certificate shall provide that benefits designed to cover cost sharing amounts under Medicare will be changed automatically to coincide with any changes in the applicable Medicare deductible amount and copayment percentage factors. Premiums may be modified to correspond with the changes.

As soon as practicable, but no later than 30 days prior to the annual effective date of any Medicare benefit changes, an issuer shall notify its policyholders and certificate holders of modifications it has made to Medicare supplement insurance policies or certificates in a format acceptable to the commissioner. Such notice shall:

(1) include a description of revisions to the Medicare program and a description of each modification made to the coverage provided under the Medicare supplement policy or certificate; and

(2) inform each policyholder or certificate holder as to when any premium adjustment is to be made, due to changes in Medicare.



The notice of benefit modifications and any premium adjustments must be in outline form and in clear and simple terms so as to facilitate comprehension.

The notices must not contain or be accompanied by any solicitation.

(n) Termination by an issuer of a Medicare supplement policy or certificate shall be without prejudice to any continuous loss that began while the policy or certificate was in force, but the extension of benefits beyond the period during which the policy or certificate was in force may be conditioned on the continuous total disability of the insured, limited to the duration of the policy or certificate benefit period, if any, or payment of the maximum benefits. The extension of benefits does not apply when the termination is based on fraud, misrepresentation, or nonpayment of premium. An issuer may discontinue the availability of a policy form or certificate form if the issuer provides to the commissioner in writing its decision at least 30 days before discontinuing the availability of the form of the policy or certificate. An issuer that discontinues the availability of a policy form or certificate shall not file for approval a new policy form or certificate form of the same type for the same Medicare supplement benefit plan as the discontinued form for five years after the issuer provides notice to the commissioner of the discontinuance. The period of discontinuance may be reduced if the commissioner determines that a shorter period is appropriate. The sale or other transfer of Medicare supplement business to another issuer shall be considered a discontinuance for the purposes of this section. A change in the rating structure or methodology shall be considered a discontinuance under this section unless the issuer complies with the following requirements:

(1) the issuer provides an actuarial memorandum, in a form and manner prescribed by the commissioner, describing the manner in which the revised rating methodology and resulting rates differ from the existing rating methodology and resulting rates; and

(2) the issuer does not subsequently put into effect a change of rates or rating factors that would cause the percentage differential between the discontinued and subsequent rates as described in the actuarial memorandum to change. The commissioner may approve a change to the differential that is in the public interest.

(o)(1) Except as provided in clause (2), the Minnesota experience of all policy forms or certificate forms of the same type in a standard Medicare supplement benefit plan shall be combined for purposes of the refund or credit calculation prescribed in section 62A.36;

(2) forms assumed under an assumption reinsurance agreement shall not be combined with the Minnesota experience of other forms for purposes of the refund or credit calculation.

(p) Medicare supplement policies and certificates shall include a renewal or continuation provision. The language or specifications of the provision shall be consistent with the type of contract issued. The provision shall be appropriately captioned and shall appear on the first page of the policy or certificate, and shall include any reservation by the issuer of the right to change premiums and any automatic renewal premium increases based on the policyholder's age. Except for riders or endorsements by which the issuer effectuates a request made in writing by the insured, exercises a specifically reserved right under a Medicare supplement policy or certificate, or is required to reduce or eliminate benefits to avoid duplication of Medicare benefits, all riders or endorsements added to a Medicare supplement policy or certificate after the date of issue or at reinstatement or renewal that reduce or eliminate benefits or coverage in the policy or certificate shall require a signed acceptance by the insured. After the date of policy or certificate issue, a rider or endorsement that increases benefits or coverage with a concomitant increase in premium during the policy or certificate term shall be agreed to in writing and signed by the insured, unless the benefits are required by the minimum standards for Medicare supplement policies or if the increased benefits or coverage is required by law. Where a separate additional premium is charged for benefits provided in connection with riders or endorsements, the premium charge shall be set forth in the policy, declaration page, or certificate. If a Medicare supplement policy or certificate contains limitations with respect to preexisting conditions, the limitations shall appear as a separate paragraph of the policy or certificate and be labeled as "preexisting condition limitations."

Issuers of accident and sickness policies or certificates that provide hospital or medical expense coverage on an expense incurred or indemnity basis, other than incidentally, to a person eligible for Medicare by reason of age shall provide to such applicants a Medicare Supplement Buyer's Guide in the form developed by the Health Care Financing Administration and in a type size no smaller than 12-point type. Delivery of the Buyer's Guide must be made whether or not such policies or certificates are advertised, solicited, or issued as Medicare supplement policies or certificates as defined in this section. Except in the case of direct response issuers, delivery of the Buyer's Guide must be made to the applicant at the time of application, and acknowledgment of receipt of the Buyer's Guide must be obtained by the issuer. Direct response issuers shall deliver the Buyer's Guide to the applicant upon request, but no later than the time at which the policy is delivered.

(q)(1) An issuer, directly or through its producers, shall:

(i) establish marketing procedures to assure that a comparison of policies by its agents or other producers will be fair and accurate;

(ii) establish marketing procedures to ensure that excessive insurance is not sold or issued;

(iii) establish marketing procedures that set forth a mechanism or formula for determining whether a replacement policy or certificate contains benefits clearly and substantially greater than the benefits under the replaced policy or certificate;

(iv) display prominently by type or other appropriate means, on the first page of the policy or certificate, the following:

“Notice to buyer: This policy or certificate may not cover all of your medical expenses”;

(v) inquire and otherwise make every reasonable effort to identify whether a prospective applicant or enrollee for Medicare supplement insurance already has accident and sickness insurance and the types and amounts of the insurance;

(vi) establish auditable procedures for verifying compliance with this paragraph;

(2) in addition to the practices prohibited in chapter 72A, the following acts and practices are prohibited:

(i) knowingly making any misleading representation or incomplete or fraudulent comparison of any insurance policies or issuers for the purpose of inducing, or tending to induce, any person to lapse, forfeit, surrender, terminate, retain, pledge, assign, borrow on, or convert any insurance policy or to take out a policy of insurance with another insurer;

(ii) employing any method of marketing having the effect of or tending to induce the purchase of insurance through force, fright, threat, whether explicit or implied, or undue pressure to purchase or recommend the purchase of insurance;

(iii) making use directly or indirectly of any method of marketing which fails to disclose in a conspicuous manner that a purpose of the method of marketing is solicitation of insurance and that contact will be made by an insurance agent or insurance company;

(3) the terms “Medicare supplement,” “medigap,” and words of similar import shall not be used unless the policy or certificate is issued in compliance with this subdivision.

(r) Each health maintenance organization, health service plan corporation, insurer, or fraternal benefit society that sells coverage that supplements Medicare coverage shall establish a separate community rate for that coverage. Beginning January 1, 1993, no

coverage that supplements Medicare or that is governed by section 1833 or 1876 of the federal Social Security Act, United States Code, title 42, section 1395, et seq., may be offered, issued, sold, or renewed to a Minnesota resident, except at the community rate required by this paragraph.

For coverage that supplements Medicare and for the Part A rate calculation for plans governed by section 1833 of the federal Social Security Act, United States Code, title 42, section 1395, et seq., the community rate may take into account only the following factors:

(1) actuarially valid differences in benefit designs or provider networks;

(2) geographic variations in rates if preapproved by the commissioner of commerce; and

(3) premium reductions in recognition of healthy lifestyle behaviors, including but not limited to, refraining from the use of tobacco. Premium reductions must be actuarially valid and must relate only to those healthy lifestyle behaviors that have a proven positive impact on health. Factors used by the health carrier making this premium reduction must be filed with and approved by the commissioner of commerce.

(s) Beginning January 1, 1993, a health maintenance organization that issues coverage that supplements Medicare or that issues coverage governed by section 1833 or 1876 of the federal Social Security Act, United States Code, title 42, section 1395 et seq., must make available with each contract at least one option that includes coverage for at least 80 percent of the usual and customary charge for prescription drugs or the copayment equivalency. Each contract issued without prescription drug coverage by any insurer, health service plan corporation, health maintenance organization, or fraternal benefit society must contain, displayed prominently by type or other appropriate means, on the first page of the contract, the following:

“Notice to buyer: This contract does not cover prescription drugs. Prescription drugs can be a very high percentage of your medical expenses. Coverage for prescription drugs is available to you as an optional benefit.”

Sec. 2. Minnesota Statutes 1990, section 62A.31, is amended by adding a subdivision to read:

Subd. 3. [DEFINITIONS.] (a) “Accident,” “accidental injury,” or “accidental means” means to employ “result” language and does not include words that establish an accidental means test or use words

such as "external," "violent," "visible wounds," or similar words of description or characterization.

(1) The definition shall not be more restrictive than the following: "Injury or injuries for which benefits are provided means accidental bodily injury sustained by the insured person which is the direct result of an accident, independent of disease or bodily infirmity or any other cause, and occurs while insurance coverage is in force."

(2) The definition may provide that injuries shall not include injuries for which benefits are provided or available under a workers' compensation, employer's liability or similar law, or motor vehicle no-fault plan, unless prohibited by law.

(b) "Applicant" means:

(1) in the case of an individual Medicare supplement policy or certificate, the person who seeks to contract for insurance benefits; and

(2) in the case of a group Medicare supplement policy or certificate, the proposed certificate holder.

(c) "Benefit period" or "Medicare benefit period" shall not be defined more restrictively than as defined in the Medicare program.

(d) "Certificate" means a certificate delivered or issued for delivery in this state or offered to a resident of this state under a group Medicare supplement policy or certificate.

(e) "Certificate form" means the form on which the certificate is delivered or issued for delivery by the issuer.

(f) "Convalescent nursing home," "extended care facility," or "skilled nursing facility" shall not be defined more restrictively than as defined in the Medicare program.

(g) "Health care expenses" means expenses of health maintenance organizations associated with the delivery of health care services which are analogous to incurred losses of insurers. The expenses shall not include:

(1) home office and overhead costs;

(2) advertising costs;

(3) commissions and other acquisition costs;

(4) taxes;

(5) capital costs;

(6) administrative costs; and

(7) claims processing costs.

(h) "Hospital" may be defined in relation to its status, facilities, and available services or to reflect its accreditation by the joint commission on accreditation of hospitals, but not more restrictively than as defined in the Medicare program.

(i) "Issuer" includes insurance companies, fraternal benefit societies, health care service plans, health maintenance organizations, and any other entity delivering or issuing for delivery Medicare supplement policies or certificates in this state or offering these policies or certificates to residents of this state.

(j) "Medicare" shall be defined in the policy and certificate. Medicare may be defined as the Health Insurance for the Aged Act, title XVIII of the Social Security Amendments of 1965, as amended, or title I, part I, of Public Law Number 89-97, as enacted by the 89th Congress of the United States of America and popularly known as the Health Insurance for the Aged Act, as amended.

(k) "Medicare eligible expenses" means health care expenses covered by Medicare, to the extent recognized as reasonable and medically necessary by Medicare.

(l) "Medicare supplement policy or certificate" means a group or individual policy of accident and sickness insurance or a subscriber contract of hospital and medical service associations or health maintenance organizations, other than a policy or certificate issued under a contract under section 1833 or 1876 of the federal Social Security Act, United States Code, title 42, section 1395, et seq., or an issued policy under a demonstration project authorized under amendments to the federal Social Security Act, which is advertised, marketed, or designed primarily as a supplement to reimbursements under Medicare for the hospital, medical, or surgical expenses of persons eligible for Medicare.

(m) "Physician" shall not be defined more restrictively than as defined in the Medicare program or section 62A.04, subdivision 1, or 62A.15, subdivision 3a.

(n) "Policy form" means the form on which the policy is delivered or issued for delivery by the issuer.

(o) "Sickness" shall not be defined more restrictively than the following:

“Sickness means illness or disease of an insured person which first manifests itself after the effective date of insurance and while the insurance is in force.”

The definition may be further modified to exclude sicknesses or diseases for which benefits are provided under a workers' compensation, occupational disease, employer's liability, or similar law.

Sec. 3. Minnesota Statutes 1990, section 62A.31, is amended by adding a subdivision to read:

Subd. 4. [PROHIBITED POLICY PROVISIONS.] A Medicare supplement policy or certificate in force in the state shall not contain benefits that duplicate benefits provided by Medicare.

Sec. 4. Minnesota Statutes 1990, section 62A.315, is amended to read:

**62A.315 [EXTENDED BASIC MEDICARE SUPPLEMENT PLAN; COVERAGE.]**

The extended basic Medicare supplement plan must have a level of coverage so that it will be certified as a qualified plan pursuant to ~~chapter 62E~~ section 62E.07, and will provide:

(1) coverage for all of the Medicare part A inpatient hospital deductible and coinsurance amounts, and 100 percent of all Medicare part A eligible expenses for hospitalization not covered by Medicare for the calendar year;

(2) coverage for the daily copayment amount of Medicare part A eligible expenses for the calendar year incurred for skilled nursing facility care;

(3) coverage for the 20 percent copayment amount of Medicare eligible expenses excluding outpatient prescription drugs under Medicare part B regardless of hospital confinement for Medicare part B and coverage of the Medicare deductible amount;

(4) 80 percent of usual and customary hospital and medical expenses, supplies, and prescription drug expenses, not covered by Medicare's eligible expenses;

(5) coverage for the reasonable cost of the first three pints of blood, or equivalent quantities of packed red blood cells as defined under federal regulations under Medicare parts A and B, unless replaced in accordance with federal regulations; ~~and~~

(6) 100 percent of the cost of immunizations and routine screening procedures for cancer, including mammograms and pap smears;

(7) preventive medical care benefit: coverage for the following preventive health services:

(i) an annual clinical preventive medical history and physical examination that may include tests and services from clause (ii) and patient education to address preventive health care measures;

(ii) any one or a combination of the following preventive screening tests or preventive services, the frequency of which is considered medically appropriate:

(A) fecal occult blood test and/or digital rectal examination;

(B) dipstick urinalysis for hematuria, bacteriuria, and proteinuria;

(C) pure tone (air only) hearing screening test administered or ordered by a physician;

(D) serum cholesterol screening every five years;

(E) thyroid function test;

(F) diabetes screening;

(iii) any other tests or preventive measures determined appropriate by the attending physician.

Reimbursement shall be for the actual charges up to 100 percent of the Medicare-approved amount for each service as if Medicare were to cover the service as identified in American Medical Association current procedural terminology (AMA CPT) codes to a maximum of \$120 annually under this benefit. This benefit shall not include payment for any procedure covered by Medicare;

(8) At-home recovery benefit: Coverage for services to provide short-term at-home assistance with activities of daily living for those recovering from an illness, injury, or surgery:

(i) For purposes of this benefit, the following definitions shall apply:

(A) "activities of daily living" include, but are not limited to, bathing, dressing, personal hygiene, transferring, eating, ambulating, assistance with drugs that are normally self-administered, and changing bandages or other dressings;

(B) "care provider" means a duly qualified or licensed home health aide/homemaker, personal care aide, or nurse provided through a



licensed home health care agency or referred by a licensed referral agency or licensed nurses registry;

(C) "home" means a place used by the insured as a place of residence, provided that the place would qualify as a residence for home health care services covered by Medicare. A hospital or skilled nursing facility shall not be considered the insured's place of residence;

(D) "at-home recovery visit" means the period of a visit required to provide at-home recovery care, without limit on the duration of the visit, except each consecutive four hours in a 24-hour period of services provided by a care provider is one visit;

(ii) coverage requirements and limitations:

(A) at-home recovery services provided must be primarily services that assist in activities of daily living;

(B) the insured's attending physician must certify that the specific type and frequency of at-home recovery services are necessary because of a condition for which a home care plan of treatment was approved by Medicare;

(C) coverage is limited to:

(I) no more than the number and type of at-home recovery visits certified as medically necessary by the insured's attending physician. The total number of at-home recovery visits shall not exceed the number of Medicare-approved home health care visits under a Medicare-approved home care plan of treatment;

(II) the actual charges for each visit up to a maximum reimbursement of \$40 per visit;

(III) \$1,600 per calendar year;

(IV) seven visits in any one week;

(V) care furnished on a visiting basis in the insured's home;

(VI) services provided by a care provider as defined in this section;

(VII) at-home recovery visits while the insured is covered under the policy or certificate and not otherwise excluded;

(VIII) at-home recovery visits received during the period the insured is receiving Medicare-approved home care services or no more than eight weeks after the service date of the last Medicare-approved home health care visit;

(iii) coverage is excluded for:

(A) home care visits paid for by Medicare or other government programs; and

(B) care provided by family members, unpaid volunteers, or providers who are not care providers.

Sec. 5. Minnesota Statutes 1991 Supplement, section 62A.316, is amended to read:

62A.316 [BASIC MEDICARE SUPPLEMENT PLAN; COVERAGE.]

(a) The basic Medicare supplement plan must have a level of coverage that will provide:

(1) coverage for all of the Medicare part A inpatient hospital coinsurance amounts, and 100 percent of all Medicare part A eligible expenses for hospitalization not covered by Medicare for the calendar year, after satisfying the Medicare part A deductible;

(2) coverage for the daily copayment amount of Medicare part A eligible expenses for the calendar year incurred for skilled nursing facility care;

(3) coverage for the 20 percent copayment amount of Medicare eligible expenses excluding outpatient prescription drugs under Medicare part B regardless of hospital confinement for Medicare part B after the Medicare deductible amount;

(4) 80 percent of the usual and customary hospital and medical expenses and supplies incurred during travel outside the United States as a result of a medical emergency;

(5) coverage for the reasonable cost of the first three pints of blood, or equivalent quantities of packed red blood cells as defined under federal regulations under Medicare parts A and B, unless replaced in accordance with federal regulations; and

(6) 100 percent of the cost of immunizations and routine screening procedures for cancer screening including mammograms and pap smears.

(b) Only the following optional benefit riders may be added to this plan:

(1) coverage for all of the Medicare part A inpatient hospital deductible amount;

(2) a minimum of 80 percent of usual and customary eligible medical expenses, not to exceed any charge limitation established by the Medicare program, and supplies not covered by Medicare part B. This does not include outpatient prescription drugs;

(3) coverage for all of the Medicare part B annual deductible; ~~and~~

(4) coverage for at least 50 percent, or the equivalent of 50 percent, of usual and customary prescription drug expenses;

~~Nothing in this section prohibits the plan from requiring that services be received from providers designated as preferred providers or participating providers in order to receive coverage under optional benefit riders.~~

(5) coverage for the following preventive health services:

(i) an annual clinical preventive medical history and physical examination that may include tests and services from clause (ii) and patient education to address preventive health care measures;

(ii) any one or a combination of the following preventive screening tests or preventive services, the frequency of which is considered medically appropriate:

(A) fecal occult blood test and/or digital rectal examination;

(B) dipstick urinalysis for hematuria, bacteriuria, and proteinuria;

(C) pure tone (air only) hearing screening test, administered or ordered by a physician;

(D) serum cholesterol screening every five years;

(E) thyroid function test;

(F) diabetes screening;

(iii) any other tests or preventive measures determined appropriate by the attending physician.

Reimbursement shall be for the actual charges up to 100 percent of the Medicare-approved amount for each service, as if Medicare were to cover the service as identified in American Medical Association current procedural terminology (AMA CPT) codes, to a maximum of \$120 annually under this benefit. This benefit shall not include payment for a procedure covered by Medicare;

(6) coverage for services to provide short-term at-home assistance with activities of daily living for those recovering from an illness, injury, or surgery:

(i) For purposes of this benefit, the following definitions apply:

(A) "activities of daily living" include, but are not limited to, bathing, dressing, personal hygiene, transferring, eating, ambulating, assistance with drugs that are normally self-administered, and changing bandages or other dressings;

(B) "care provider" means a duly qualified or licensed home health aide/homemaker, personal care aid, or nurse provided through a licensed home health care agency or referred by a licensed referral agency or licensed nurses registry;

(C) "home" means a place used by the insured as a place of residence, provided that the place would qualify as a residence for home health care services covered by Medicare. A hospital or skilled nursing facility shall not be considered the insured's place of residence;

(D) "at-home recovery visit" means the period of a visit required to provide at-home recovery care, without limit on the duration of the visit, except each consecutive four hours in a 24-hour period of services provided by a care provider is one visit;

(ii) Coverage requirements and limitations:

(A) at-home recovery services provided must be primarily services that assist in activities of daily living;

(B) the insured's attending physician must certify that the specific type and frequency of at-home recovery services are necessary because of a condition for which a home care plan of treatment was approved by Medicare;

(C) Coverage is limited to:

(I) no more than the number and type of at-home recovery visits certified as necessary by the insured's attending physician. The total number of at-home recovery visits shall not exceed the number of Medicare-approved home care visits under a Medicare-approved home care plan of treatment;

(II) the actual charges for each visit up to a maximum reimbursement of \$40 per visit;

(III) \$1,600 per calendar year;

(IV) seven visits in any one week;

(V) care furnished on a visiting basis in the insured's home;

(VI) services provided by a care provider as defined in this section;

(VII) at-home recovery visits while the insured is covered under the policy or certificate and not otherwise excluded;

(VIII) at-home recovery visits received during the period the insured is receiving Medicare-approved home care services or no more than eight weeks after the service date of the last Medicare-approved home health care visit;

(iii) Coverage is excluded for:

(A) home care visits paid for by Medicare or other government programs; and

(B) care provided by family members, unpaid volunteers, or providers who are not care providers.

Sec. 6. [62A.317] [STANDARDS FOR CLAIMS PAYMENT.]

(a) An issuer shall comply with section 1882(c)(3) of the federal Social Security Act, as enacted by section 4081(b)(2)(C) of the Omnibus Budget Reconciliation Act of 1987 (OBRA), Public Law Number 100-203, by:

(1) accepting a notice from a Medicare carrier on duly assigned claims submitted by Medicare participating physicians and suppliers as a claim for benefits in place of any other claim form otherwise required and making a payment determination on the basis of the information contained in that notice;

(2) notifying the Medicare participating physician or supplier and the beneficiary of the payment determination;

(3) paying the Medicare participating physician or supplier directly;

(4) furnishing, at the time of enrollment, each enrollee with a card listing the policy or certificate name, number, and a central mailing address to which notices from a Medicare carrier may be sent;

(5) paying user fees for claim notices that are transmitted electronically or otherwise; and

(6) providing to the secretary of health and human services, at least annually, a central mailing address to which all claims may be sent by Medicare carriers.

(b) Compliance with the requirements in paragraph (a) shall be certified on the Medicare supplement insurance experience reporting form.

Sec. 7. [62A.319] [REPORTING OF MULTIPLE POLICIES.]

Subdivision 1. [ANNUAL REPORT.] On or before March 1 of each year, an issuer shall report the following information for every individual resident of this state for which the issuer has in force more than one Medicare supplement policy or certificate:

(1) the policy and certificate number; and

(2) the date of issuance.

Subd. 2. [NAIC REPORT FORMS.] The items in subdivision 1 must be grouped by individual policyholder and be on the National Association of Insurance Commissioners Reporting Medicare Supplement Policies form.

Sec. 8. Minnesota Statutes 1990, section 62A.36, subdivision 1, is amended to read:

Subdivision 1. [MINIMUM LOSS RATIOS RATIO STANDARDS.] Notwithstanding section 62A.02, subdivision 3, relating to loss ratios, (a) A Medicare supplement policies policy form or certificate form shall not be required delivered or issued for delivery unless the policy form or certificate form can be expected, as estimated for the entire period for which rates are computed to provide coverage, to return to Minnesota policyholders and certificate holders in the form of aggregate benefits under the policy, for each year excluding the year of issuance and the first year thereafter, on the basis of incurred claims experience and earned premiums in Minnesota and in accordance with accepted actuarial principles and practices, not including anticipated refunds or credits, provided under the policy form or certificate form:

(a) (1) at least 75 percent of the aggregate amount of premiums collected earned in the case of group policies, and

(b) (2) at least 65 percent of the aggregate amount of premiums collected earned in the case of individual policies, calculated on the basis of incurred claims experience or incurred health care expenses where coverage is provided by a health maintenance organization on a service rather than reimbursement basis and earned premiums for the period and according to accepted actuarial principles and prac-

tices. An insurer shall demonstrate that the third year loss ratio is greater than or equal to the applicable percentage.

All filings of rates and rating schedules shall demonstrate that actual expected claims in relation to premiums comply with the requirements of this section when combined with actual experience to date. Filings of rate revisions shall also demonstrate that the anticipated loss ratio over the entire future period for which the revised rates are computed to provide coverage can be expected to meet the appropriate loss ratio standards, and aggregate loss ratio from inception of the policy or certificate shall equal or exceed the appropriate loss ratio standards.

(b) An issuer shall collect and file with the commissioner by May 31 of each year the data contained in the National Association of Insurance Commissioners Medicare Supplement Refund Calculating form, for each type of Medicare supplement benefit plan.

If, on the basis of the experience as reported, the benchmark ratio since inception (ratio 1) exceeds the adjusted experience ratio since inception (ratio 3), then a refund or credit calculation is required. The refund calculation must be done on a statewide basis for each type in a standard Medicare supplement benefit plan. For purposes of the refund or credit calculation, experience on policies issued within the reporting year shall be excluded.

A refund or credit shall be made only when the benchmark loss ratio exceeds the adjusted experience loss ratio and the amount to be refunded or credited exceeds a de minimis level. The refund shall include interest from the end of the calendar year to the date of the refund or credit at a rate specified by the secretary of health and human services, but in no event shall it be less than the average rate of interest for 13-week treasury bills. A refund or credit against premiums due shall be made by September 30 following the experience year on which the refund or credit is based.

(c) An issuer of Medicare supplement policies and certificates in this state shall file annually its rates, rating schedule, and supporting documentation including ratios of incurred losses to earned premiums by policy or certificate duration for approval by the commissioner according to the filing requirements and procedures prescribed by the commissioner. The supporting documentation shall also demonstrate in accordance with actuarial standards of practice using reasonable assumptions that the appropriate loss ratio standards can be expected to be met over the entire period for which rates are computed. The demonstration shall exclude active life reserves. An expected third-year loss ratio which is greater than or equal to the applicable percentage shall be demonstrated for policies or certificates in force less than three years.

As soon as practicable, but before the effective date of enhance-

ments in Medicare benefits, every issuer of Medicare supplement policies or certificates in this state shall file with the commissioner, in accordance with the applicable filing procedures of this state:

(1) a premium adjustment that is necessary to produce an expected loss ratio under the policy or certificate that will conform with minimum loss ratio standards for Medicare supplement policies or certificates. No premium adjustment that would modify the loss ratio experience under the policy or certificate other than the adjustments described herein shall be made with respect to a policy or certificate at any time other than on its renewal date or anniversary date;

(2) if an issuer fails to make premium adjustments acceptable to the commissioner, the commissioner may order premium adjustments, refunds, or premium credits considered necessary to achieve the loss ratio required by this section;

(3) any appropriate riders, endorsements, or policy or certificate forms needed to accomplish the Medicare supplement insurance policy or certificate modifications necessary to eliminate benefit duplications with Medicare. The riders, endorsements, or policy or certificate forms shall provide a clear description of the Medicare supplement benefits provided by the policy or certificate.

(d) The commissioner may conduct a public hearing to gather information concerning a request by an issuer for an increase in a rate for a policy form or certificate form if the experience of the form for the previous reporting period is not in compliance with the applicable loss ratio standard. The determination of compliance is made without consideration of a refund or credit for the reporting period. Public notice of the hearing shall be furnished in a manner considered appropriate by the commissioner.

Sec. 9. Minnesota Statutes 1990, section 62A.38, is amended to read:

#### 62A.38 [NOTICE OF FREE EXAMINATION.]

Medicare supplement policies or certificates, other than those issued pursuant to direct response solicitation, shall have a notice prominently printed on the first page of the policy or attached thereto stating in substance that the policyholder or certificate holder shall have the right to return the policy or certificate within 30 days of its delivery and to have the premium refunded in full if, after examination of the policy or certificate, the insured person is not satisfied for any reason. Medicare supplement policies or certificates, issued pursuant to a direct response solicitation to persons eligible for Medicare by reason of age, shall have a notice prominently printed on the first page or attached thereto stating in substance that the policyholder or certificate holder shall have the



right to return the policy or certificate within 30 days of its delivery and to have the premium refunded within ten days after receipt of the returned policy or certificate to the insurer if, after examination, the insured person is not satisfied for any reason.

Sec. 10. Minnesota Statutes 1990, section 62A.39, is amended to read:

62A.39 [DISCLOSURE.]

No individual Medicare supplement plan shall be delivered or issued in this state and no certificate shall be delivered pursuant to under a group Medicare supplement plan delivered or issued in this state unless an outline containing at least the following information in no less than 12-point type is delivered to the applicant at the time the application is made:

(a) A description of the principal benefits and coverage provided in the policy;

(b) A statement of the exceptions, reductions, and limitations contained in the policy including the following language, as applicable, in bold print: "THIS POLICY DOES NOT COVER ALL MEDICAL EXPENSES BEYOND THOSE COVERED BY MEDICARE. THIS POLICY DOES NOT COVER ALL SKILLED NURSING HOME CARE EXPENSES AND DOES NOT COVER CUSTODIAL OR RESIDENTIAL NURSING CARE. READ YOUR POLICY CAREFULLY TO DETERMINE WHICH NURSING HOME FACILITIES AND EXPENSES ARE COVERED BY YOUR POLICY.";

(c) A statement of the renewal provisions including any reservations by the insurer of a right to change premiums. The premium and manner of payment shall be stated for all plans that are offered to the prospective applicant. All possible premiums for the prospective applicant shall be illustrated. If the premium is based on the increasing age of the insured, information specifying when premiums will change must be included;

(d) READ YOUR POLICY OR CERTIFICATE VERY CAREFULLY [Boldface type]. A statement that the outline of coverage is a summary of the policy issued or applied for and that the policy should be consulted to determine governing contractual provisions. Additionally, it does not give all the details of Medicare coverage. Contact your local Social Security office or consult the Medicare handbook for more details; and

(e) A statement of the policy's loss ratio as follows: "This policy provides an anticipated loss ratio of (.%). This means that, on the average, policyholders may expect that (\$....) of every \$100.00 in

premium will be returned as benefits to policyholders over the life of the contract.”;

(f) When the outline of coverage is provided at the time of application and the Medicare supplement policy or certificate is issued on a basis that would require revision of the outline, a substitute outline of coverage properly describing the policy or certificate shall accompany the policy or certificate when it is delivered and contain the following statement, in no less than 12-point type, immediately above the company name:

“NOTICE: Read this outline of coverage carefully. It is not identical to the outline of coverage provided upon application, and the coverage originally applied for has not been issued.”;

(g) RIGHT TO RETURN POLICY OR CERTIFICATE [Boldface type]. “If you find that you are not satisfied with your policy or certificate for any reason, you may return it to [insert issuer’s address]. If you send the policy or certificate back to us within 30 days after you receive it, we will treat the policy or certificate as if it had never been issued and return all of your payments within ten days.”;

(h) POLICY OR CERTIFICATE REPLACEMENT [Boldface type]. “If you are replacing another health insurance policy or certificate, do NOT cancel it until you have actually received your new policy or certificate and are sure you want to keep it.”;

(i) NOTICE [Boldface type]. “This policy or certificate may not fully cover all of your medical costs.”

A. [for agents:]

“Neither [insert company’s name] nor its agents are connected with Medicare.”

B. [for direct response:]

“[insert company’s name] is not connected with Medicare.”

(j) Notice regarding policies or certificates which are not Medicare supplement policies.

Any accident and sickness insurance policy or certificate, other than a Medicare supplement policy, or a policy or certificate issued pursuant to a contract under the federal Social Security Act, section 1833 or 1876 (United States Code, title 42, section 1395, et seq.), disability income policy; basic, catastrophic, or major medical expense policy; single premium nonrenewable policy; or other policy, issued for delivery in this state to persons eligible for Medicare shall

notify insureds under the policy that the policy is not a Medicare supplement policy or certificate. The notice shall either be printed or attached to the first page of the outline of coverage delivered to insureds under the policy, or if no outline of coverage is delivered, to the first page of the policy or certificate delivered to insureds. The notice shall be in no less than 12-point type and shall contain the following language:

“THIS [POLICY OR CERTIFICATE] IS NOT A MEDICARE SUPPLEMENT [POLICY OR CONTRACT]. If you are eligible for Medicare, review the Medicare supplement buyer’s guide available from the company.”

(k) COMPLETE ANSWERS ARE VERY IMPORTANT [Boldface type]. “When you fill out the application for the new policy or certificate, be sure to answer truthfully and completely all questions about your medical and health history. The company may cancel your policy or certificate and refuse to pay any claims if you leave out or falsify important medical information.” If the policy or certificate is guaranteed issue, this paragraph need not appear.

“Review the application carefully before you sign it. Be certain that all information has been properly recorded.”

Include for each plan, prominently identified in the cover page, a chart showing the services, Medicare payments, plan payments, and insured payments for each plan, using the same language, in the same order, using uniform layout and format.

Sec. 11. Minnesota Statutes 1990, section 62A.42, is amended to read:

#### 62A.42 [RULEMAKING AUTHORITY.]

To carry out the purposes of sections 62A.31 to 62A.44, the commissioner may promulgate rules pursuant to chapter 14. These rules may:

(a) prescribe additional disclosure requirements for medicare supplement plans, designed to adequately inform the prospective insured of the need and extent of coverage offered;

(b) prescribe uniform policy forms in order to give the insurance purchaser a reasonable opportunity to compare the cost of insuring with various insurers and may prescribe reasonable measures as necessary to conform Medicare supplement policies and certificates to the requirements of federal law and regulations; and

(c) establish other reasonable standards to further the purpose of sections 62A.31 to 62A.44.

Sec. 12. Minnesota Statutes 1990, section 62A.436, is amended to read:

62A.436 [COMMISSIONS.]

The commission, sales allowance, service fee, or compensation to an agent for the sale of a Medicare supplement plan must be the same for each of the first four years of the policy. The commissioner may grant a waiver of this restriction on commissions when the commissioner believes that the insurer's fee structure does not encourage deceptive practices.

In no event may the rate of commission, sales allowance, service fee, or compensation for the sale of a basic Medicare supplement plan exceed that which applies to the sale of an extended basic Medicare supplement plan.

For purposes of this section, "compensation" includes pecuniary or nonpecuniary remuneration of any kind relating to the sale or renewal of the policy or certificate, including but not limited to bonuses, gifts, prizes, awards, and finder's fees.

This section also applies to sales of replacement policies.

Sec. 13. Minnesota Statutes 1990, section 62A.44, is amended to read:

62A.44 [APPLICATIONS.]

Subdivision 1. [APPLICANT COPY.] No individual medicare supplement plan shall be issued or delivered in this state unless a signed and completed copy of the application for insurance is left with the applicant at the time application is made.

Subd. 2. [QUESTIONS.] (a) Application forms shall include the following questions designed to elicit information as to whether, as of the date of the application, the applicant has another Medicare supplement or other health insurance policy or certificate in force or whether a Medicare supplement policy or certificate is intended to replace any other accident and sickness policy or certificate presently in force. A supplementary application or other form to be signed by the applicant and agent containing the questions and statements may be used.

"(1) You do not need more than one Medicare supplement policy or certificate.

(2) If you are 65 or older, you may be eligible for benefits under Medicaid and may not need a Medicare supplement policy or certificate.

(3) The benefits and premiums under your Medicare supplement policy or certificate will be suspended during your entitlement to benefits under Medicaid for 24 months. You must request this suspension within 90 days of becoming eligible for Medicaid. If you are no longer entitled to Medicaid, your policy or certificate will be reinstated if requested within 90 days of losing Medicaid eligibility.

To the best of your knowledge:

(1) Do you have another Medicare supplement policy or certificate in force, including health care service contract or health maintenance organization contract? If so, with which company?

(2) Do you have any other health insurance policies that provide benefits that this Medicare supplement policy or certificate would duplicate? (a) If so, with which company?

(3) If the answer to question 1 or 2 is yes, do you intend to replace these medical or health policies with this policy or certificate?

(4) Are you covered by Medicaid?"

(b) Agents shall list any other health insurance policies they have sold to the applicant.

(1) List policies sold that are still in force.

(2) List policies sold in the past five years that are no longer in force.

(c) In the case of a direct response issuer, a copy of the application or supplemental form, signed by the applicant, and acknowledged by the insurer, shall be returned to the applicant by the insurer on delivery of the policy or certificate.

(d) Upon determining that a sale will involve replacement of Medicare supplement coverage, any issuer, other than a direct response issuer, or its agent, shall furnish the applicant, before issuance or delivery of the Medicare supplement policy or certificate, a notice regarding replacement of Medicare supplement coverage. One copy of the notice signed by the applicant and the agent, except where the coverage is sold without an agent, shall be provided to the applicant and an additional signed copy shall be retained by the issuer. A direct response issuer shall deliver to the applicant at the time of the issuance of the policy or certificate the notice regarding replacement of Medicare supplement coverage.

(e) The notice required by paragraph (d) for an issuer shall be provided in substantially the following form in no less than 12-point type:

“NOTICE TO APPLICANT REGARDING REPLACEMENT OF MEDICARE SUPPLEMENT INSURANCE

[Insurance company’s name and address]

SAVE THIS NOTICE! IT MAY BE IMPORTANT TO YOU IN THE FUTURE.

According to [your application] [information you have furnished], you intend to terminate existing Medicare supplement insurance and replace it with a policy or certificate to be issued by [Company Name] Insurance Company. Your new policy or certificate will provide 30 days within which you may decide without cost whether you desire to keep the policy or certificate.

You should review this new coverage carefully. Compare it with all accident and sickness coverage you now have. Terminate your present policy only if, after due consideration, you find that purchase of this Medicare supplement coverage is a wise decision.

STATEMENT TO APPLICANT BY ISSUER, AGENT, [BROKER OR OTHER REPRESENTATIVE]: I have reviewed your current medical or health insurance coverage. The replacement of insurance involved in this transaction does not duplicate coverage, to the best of my knowledge. The replacement policy or certificate is being purchased for the following reason(s) (check one):

- \_\_\_\_\_ Additional benefits
- \_\_\_\_\_ No change in benefits, but lower premiums
- \_\_\_\_\_ Fewer benefits and lower premiums
- \_\_\_\_\_ Other (please specify)
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

(1) Health conditions which you may presently have (preexisting conditions) may not be immediately or fully covered under

the new policy or certificate. This could result in denial or delay of a claim for benefits under the new policy or certificate, whereas a similar claim might have been payable under your present policy or certificate.

(2) State law provides that your replacement policy or certificate may not contain new preexisting conditions, waiting periods, elimination periods, or probationary periods. The insurer will waive any time periods applicable to preexisting conditions, waiting periods, elimination periods, or probationary periods in the new policy (or coverage) for similar benefits to the extent the time was spent (depleted) under the original policy or certificate.

(3) If you still wish to terminate your present policy or certificate and replace it with new coverage, be certain to truthfully and completely answer all questions on the application concerning your medical and health history. Failure to include all material medical information on an application may provide a basis for the company to deny any future claims and to refund your premium as though your policy or certificate had never been in force. After the application has been completed and before you sign it, review it carefully to be certain that all information has been properly recorded. [If the policy or certificate is guaranteed issue, this paragraph need not appear.]

Do not cancel your present policy or certificate until you have received your new policy or certificate and are you sure that you want to keep it.

\_\_\_\_\_  
(Signature of Agent, Broker, or Other Representative)\*

\_\_\_\_\_  
[Typed Name and Address of Issuer, Agent, or Broker]

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Applicant's Signature)

\_\_\_\_\_  
(Date)

\*Signature not required for direct response sales.\*

(f) Paragraph (e), clauses (1) and (2), of the replacement notice (applicable to preexisting conditions) may be deleted by an issuer if the replacement does not involve application of a new preexisting condition limitation.

Sec. 14. Minnesota Statutes 1990, section 62E.07, is amended to read:

62E.07 [QUALIFIED MEDICARE SUPPLEMENT PLAN.]

Any plan which provides benefits to persons over the age of 65 years may be certified as a qualified Medicare supplement plan if the plan is designed to supplement Medicare and provides coverage of 100 percent of the deductibles required under Medicare and 80 percent of the charges for covered services described in section 62E.06, subdivision 1, which charges are not paid by Medicare. The coverage shall include a limitation of \$1,000 per person on total annual out-of-pocket expenses for the covered services. ~~The coverage may be subject to a maximum lifetime benefit of not less than \$500,000.~~

Sec. 15. Minnesota Statutes 1991 Supplement, section 62E.10, subdivision 9, is amended to read:

Subd. 9. [EXPERIMENTAL DELIVERY METHOD.] The association may petition the commissioner of commerce for a waiver to allow the experimental use of alternative means of health care delivery. The commissioner may approve the use of the alternative means the commissioner considers appropriate. The commissioner may waive any of the requirements of this chapter and chapters 60A, 62A, and 62D in granting the waiver. The commissioner may also grant to the association any additional powers as are necessary to facilitate the specific waiver, including the power to implement a provider payment schedule.

This subdivision is effective until August 1, ~~1992~~ 1993.

Sec. 16. Minnesota Statutes 1991 Supplement, section 62E.12, is amended to read:

62E.12 [MINIMUM BENEFITS OF COMPREHENSIVE HEALTH INSURANCE PLAN.]

The association through its comprehensive health insurance plan shall offer policies which provide the benefits of a number one qualified plan, and a number two qualified plan, except that the maximum lifetime benefit on these plans shall be \$1,000,000, and



basic and an extended basic plan and a basic Medicare supplement plans plan as described in sections 62A.31 to 62A.44 and 62E.07. The requirement that a policy issued by the association must be a qualified plan is satisfied if the association contracts with a preferred provider network and the level of benefits for services provided within the network satisfies the requirements of a qualified plan. If the association uses a preferred provider network, payments to nonparticipating providers must meet the minimum requirements of section 72A.20, subdivision 15. They shall offer health maintenance organization contracts in those areas of the state where a health maintenance organization has agreed to make the coverage available and has been selected as a writing carrier. Notwithstanding the provisions of section 62E.06 the state plan shall exclude coverage of services of a private duty nurse other than on an inpatient basis and any charges for treatment in a hospital located outside of the state of Minnesota in which the covered person is receiving treatment for a mental or nervous disorder, unless similar treatment for the mental or nervous disorder is medically necessary, unavailable in Minnesota and provided upon referral by a licensed Minnesota medical practitioner.

Sec. 17. [FEDERAL CHANGES.]

If the federal government requires additions or changes for compliance with any provisions of this act that are required by the federal Omnibus Budget Reconciliation Act of 1990, Public Law Number 101-508, the commissioner may by order make those additions or changes. Before issuing an order, the commissioner shall notify the appropriate policy committees of the legislature of the additions or changes.

Sec. 18. [EFFECTIVE DATE.]

Sections 1 to 14 and 17 are effective the day following final enactment and apply to policies or certificates issued before and after that date. Sections 15 and 16 are effective the day following final enactment.

ARTICLE 2

Section 1. [62A.318] [MEDICARE SELECT POLICIES AND CERTIFICATES.]

(a) This section applies to Medicare select policies and certificates, as defined in this section, including those issued by health maintenance organizations. No policy or certificate may be advertised as a Medicare select policy or certificate unless it meets the requirements of this section.

(b) For the purposes of this section:

(1) “complaint” means any dissatisfaction expressed by an individual concerning a Medicare select issuer or its network providers;

(2) “grievance” means dissatisfaction expressed in writing by an individual insured under a Medicare select policy or certificate with the administration, claims practices, or provision of services concerning a Medicare select issuer or its network providers;

(3) “Medicare select issuer” means an issuer offering, or seeking to offer, a Medicare select policy or certificate;

(4) “Medicare select policy” or “Medicare select certificate” means a Medicare supplement policy or certificate that contains restricted network provisions;

(5) “network provider” means a provider of health care, or a group of providers of health care, that has entered into a written agreement with the issuer to provide benefits insured under a Medicare select policy or certificate;

(6) “restricted network provision” means a provision that conditions the payment of benefits, in whole or in part, on the use of network providers; and

(7) “service area” means the geographic area approved by the commissioner within which an issuer is authorized to offer a Medicare select policy or certificate.

(c) The commissioner may authorize an issuer to offer a Medicare select policy or certificate pursuant to this section and section 4358 of the Omnibus Budget Reconciliation Act (OBRA) of 1990, Public Law Number 101-508, if the commissioner finds that the issuer has satisfied all of the requirements of this section.

(d) A Medicare select issuer shall not issue a Medicare select policy or certificate in this state until its plan of operation has been approved by the commissioner.

(e) A Medicare select issuer shall file a proposed plan of operation with the commissioner, in a format prescribed by the commissioner. The plan of operation shall contain at least the following information:

(1) evidence that all covered services that are subject to restricted network provisions are available and accessible through network providers, including a demonstration that:

(i) the services can be provided by network providers with reasonable promptness with respect to geographic location, hours of operation, and after-hour care. The hours of operation and availabil-

ity of after-hour care shall reflect usual practice in the local area. Geographic availability shall reflect the usual travel times within the community;

(ii) the number of network providers in the service area is sufficient, with respect to current and expected policyholders, either:

(A) to deliver adequately all services that are subject to a restricted network provision; or

(B) to make appropriate referrals;

(iii) there are written agreements with network providers describing specific responsibilities;

(iv) emergency care is available 24 hours per day and seven days per week; and

(v) in the case of covered services that are subject to a restricted network provision and are provided on a prepaid basis, there are written agreements with network providers prohibiting the providers from billing or otherwise seeking reimbursement from or recourse against an individual insured under a Medicare select policy or certificate. This section does not apply to supplemental charges or coinsurance amounts as stated in the Medicare select policy or certificate;

(2) a statement or map providing a clear description of the service area;

(3) a description of the grievance procedure to be used;

(4) a description of the quality assurance program, including:

(i) the formal organizational structure;

(ii) the written criteria for selection, retention, and removal of network providers; and

(iii) the procedures for evaluating quality of care provided by network providers, and the process to initiate corrective action when warranted;

(5) a list and description, by specialty, of the network providers;

(6) copies of the written information proposed to be used by the issuer to comply with paragraph (i); and

(7) any other information requested by the commissioner.

(f) A Medicare select issuer shall file proposed changes to the plan of operation, except for changes to the list of network providers, with the commissioner before implementing the changes. The changes shall be considered approved by the commissioner after 30 days unless specifically disapproved.

An updated list of network providers shall be filed with the commissioner at least quarterly.

(g) A Medicare select policy or certificate shall not restrict payment for covered services provided by nonnetwork providers if:

(1) the services are for symptoms requiring emergency care or are immediately required for an unforeseen illness, injury, or condition; and

(2) it is not reasonable to obtain the services through a network provider.

(h) A Medicare select policy or certificate shall provide payment for full coverage under the policy or certificate for covered services that are not available through network providers.

(i) A Medicare select issuer shall make full and fair disclosure in writing of the provisions, restrictions, and limitations of the Medicare select policy or certificate to each applicant. This disclosure must include at least the following:

(1) an outline of coverage sufficient to permit the applicant to compare the coverage and premiums of the Medicare select policy or certificate with:

(i) other Medicare supplement policies or certificates offered by the issuer; and

(ii) other Medicare select policies or certificates;

(2) a description, including address, phone number, and hours of operation, of the network providers, including primary care physicians, specialty physicians, hospitals, and other providers;

(3) a description of the restricted network provisions, including payments for coinsurance and deductibles when providers other than network providers are used;

(4) a description of coverage for emergency and urgently needed care and other out-of-service area coverage;

(5) a description of limitations on referrals to restricted network providers and to other providers;

(h)(6) a description of the policyholder's rights to purchase any other Medicare supplement policy or certificate otherwise offered by the issuer; and

(7) a description of the Medicare select issuer's quality assurance program and grievance procedure.

The bill was read for the first time and referred to the Committee on Health, Education and Labor.

(j) Before the sale of a Medicare select policy or certificate, a Medicare select issuer shall obtain from the applicant a signed and dated form stating that the applicant has received the information provided pursuant to paragraph (i) and that the applicant understands the restrictions of the Medicare select policy or certificate.

H. R. No. 2707. A bill for an act relating to health insurance.

(k) A Medicare select issuer shall have and use procedures for hearing complaints and resolving written grievances from the subscribers. The procedures shall be aimed at mutual agreement for settlement and may include arbitration procedures.

(1) The grievance procedure must be described in the policy and certificates and in the outline of coverage.

(2) At the time the policy or certificate is issued, the issuer shall provide detailed information to the policyholder describing how a grievance may be registered with the issuer.

(3) Grievances must be considered in a timely manner and must be transmitted to appropriate decision makers who have authority to fully investigate the issue and take corrective action.

(4) If a grievance is found to be valid, corrective action must be taken promptly.

(5) All concerned parties must be notified about the results of a grievance.

(6) The issuer shall report no later than March 31 of each year to the commissioner regarding the grievance procedure. The report shall be in a format prescribed by the commissioner and shall contain the number of grievances filed in the past year and a summary of the subject, nature, and resolution of the grievances.

(l) At the time of initial purchase, a Medicare select issuer shall make available to each applicant for a Medicare select policy or certificate the opportunity to purchase a Medicare supplement policy or certificate otherwise offered by the issuer.

(m)(1) At the request of an individual insured under a Medicare select policy or certificate, a Medicare select issuer shall make available to the individual insured the opportunity to purchase a Medicare supplement policy or certificate offered by the issuer that

has comparable or lesser benefits and that does not contain a restricted network provision. The issuer shall make the policies or certificates available without requiring evidence of insurability after the Medicare supplement policy or certificate has been in force for six months. If the issuer does not have available for sale a policy or certificate without restrictive network provisions, the issuer shall provide enrollment information for the Minnesota comprehensive health association Medicare supplement plans.

(2) For the purposes of this paragraph, a Medicare supplement policy or certificate will be considered to have comparable or lesser benefits unless it contains one or more significant benefits not included in the Medicare select policy or certificate being replaced. For the purposes of this paragraph, a significant benefit means coverage for the Medicare part A deductible, coverage for prescription drugs, coverage for at-home recovery services, or coverage for part B excess charges.

(n) Medicare select policies and certificates shall provide for continuation of coverage if the secretary of health and human services determines that Medicare select policies and certificates issued pursuant to this section should be discontinued due to either the failure of the Medicare select program to be reauthorized under law or its substantial amendment.

(1) Each Medicare select issuer shall make available to each individual insured under a Medicare select policy or certificate the opportunity to purchase a Medicare supplement policy or certificate offered by the issuer that has comparable or lesser benefits and that does not contain a restricted network provision. The issuer shall make the policies and certificates available without requiring evidence of insurability.

(2) For the purposes of this paragraph, a Medicare supplement policy or certificate will be considered to have comparable or lesser benefits unless it contains one or more significant benefits not included in the Medicare select policy or certificate being replaced. For the purposes of this paragraph, a significant benefit means coverage for the Medicare part A deductible, coverage for prescription drugs, coverage for at-home recovery services, or coverage for part B excess charges.

(o) A Medicare select issuer shall comply with reasonable requests for data made by state or federal agencies, including the United States Department of Health and Human Services, for the purpose of evaluating the Medicare select program.

(p) Medicare select policies and certificates under this section shall be regulated and approved by the department of commerce.

(q) Medicare select policies and certificates must be either a basic

plan or an extended basic plan. The basic plan may also include any of the optional benefit riders authorized by section 62A.316. Preventive care provided by Medicare select policies or certificates must be provided as set forth in section 62A.315 or 62A.316, except that the benefits are as defined in chapter 62D.

(r) Medicare select policies and certificates are exempt from the requirements of section 62A.31, subdivision 1, paragraph (d). This paragraph expires January 1, 1994.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective July 30, 1992, and applies to policies or certificates issued on or after that date.

Delete the title and insert:

“A bill for an act relating to insurance; regulating Medicare supplement; making various changes in state law required by the federal government; regulating coverages and practices; regulating the Minnesota comprehensive health association; increasing the maximum lifetime benefit amounts of certain state plan coverages; extending the effective date of the authorization of use of experimental delivery methods; amending Minnesota Statutes 1990, sections 62A.31, by adding subdivisions; 62A.315; 62A.36, subdivision 1; 62A.38; 62A.39; 62A.42; 62A.436; 62A.44; and 62E.07; Minnesota Statutes 1991 Supplement, sections 62A.31, subdivision 1; 62A.316; 62E.10, subdivision 9; and 62E.12; proposing coding for new law in Minnesota Statutes, chapter 62A.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Murphy from the Committee on Energy to which was referred:

H. F. No. 1931, A bill for an act relating to energy; providing incentives for the use of renewable sources of electric energy; exempting wind energy conversion systems from sales taxation; amending Minnesota Statutes 1990, section 297A.25, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, line 14, delete “1991” and insert “1992”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

H. F. No. 2718. A bill for an act relating to natural resources; authorizing the commissioner of natural resources to advance state funds for the purpose of matching nonstate funds under certain Minnesota Statutes, chapter 97A.  
**The report was adopted.**

Skoglund from the Committee on Financial Institutions and Insurance to which was referred, and referred to the Committee on Environment and Natural Resources.

H. F. No. 2099, A bill for an act relating to insurance; auto; requiring insurers to fully reimburse insureds for deductible amounts before retaining subrogation proceeds; specifying related rights of insureds; amending Minnesota Statutes 1991 Supplement, section 72A.201, subdivision 6; act relating to natural resources; authorizing the commissioner of natural resources to advance state funds for the purpose of matching nonstate funds under certain Minnesota Statutes, chapter 97A.

**Reported the same back with the following amendments:**

**Page 1, before line 8, insert:**

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

**"Section 1. Minnesota Statutes 1990, section 72A.20, subdivision 23, is amended to read:**

**Subd. 23. [DISCRIMINATION IN AUTOMOBILE INSURANCE POLICIES.] (a) No insurer that offers an automobile insurance policy in this state shall:**

**(1) use the employment status of the applicant as an underwriting standard or guideline; or**

**(2) deny coverage to a policyholder for the same reason.**

**(b) No insurer that offers an automobile insurance policy in this state shall:**

**(1) use the applicant's status as a tenant, as the term is defined in section 566.18, subdivision 2, as an underwriting standard or guideline; or**

**(2) deny coverage to a policyholder for the same reason.**

**(c) No insurer that offers an automobile insurance policy in this state shall:**

**(1) use the failure of the applicant to have an automobile policy in force during any period of time before the application is made as an underwriting standard or guideline; or**

**(2) deny coverage to a policyholder for the same reason.**



This provision does not apply if the applicant was required by law to maintain automobile insurance coverage and failed to do so.

H. F. No. 2722, A bill for an act relating to Ramsey county: ~~An insurer may require reasonable proof that the applicant did not fail to maintain this coverage. The insurer is not required to accept the mere lack of a conviction or citation for failure to maintain this coverage as proof of failure to maintain coverage.~~

The bill was read for the first time and referred to the Committee  
**(d) No insurer that offers an automobile insurance policy in this state shall use an applicant's prior no-fault claims history as an underwriting standard or guideline if the applicant was 50 percent or less negligent in the accident or accidents causing the claims.**

Page 3, lines 19 to 24, reinstate the stricken language and delete the new language

Page 5, line 10, delete "Section 1 is" and insert "Sections 1 and 2 are" and delete "applies" and insert "apply"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after "auto;" insert "prohibiting discrimination in automobile insurance policies;"

Page 1, line 5, after "amending" insert "Minnesota Statutes 1990, section 72A.20, subdivision 23;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, I., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2115, A bill for an act relating to partition fences; providing for apportionment of cost of a partition fence; amending Minnesota Statutes 1990, sections 344.03, subdivision 1; and 344.06.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1990, section 344.03, subdivision 1, is amended to read:

Subdivision 1. [ADJOINING OWNERS.] If all or a part of adjoining Minnesota land is improved and used, and one or both of the owners of the land desires the land to be partly or totally fenced, the land owners or occupants shall build and maintain a partition fence between their lands in equal shares, except that no landowner or occupant shall be required to pay any share of the construction or maintenance of a partition fence if that landowner or occupant has no need for a fence. If the landowners or occupants disagree about the need for a fence, it is a controversy under section 344.06.

Sec. 2. Minnesota Statutes 1990, section 344.06, is amended to read:

**344.06 [CONTROVERSY; DECISION BY FENCE VIEWERS.]**

If a controversy arises concerning the rights in partition fences of the respective occupants or their obligation to erect or maintain the fences, either party may apply to the fence viewers, who, after due notice to the parties, may assign to each a share, or no share, in the fence and direct the time within which the fence must be erected or repaired. If in the fence viewer's opinion an assignment of shares is appropriate the shares shall be assigned in accordance with the need and benefit of each party. The assignment, unless appealed, may be filed for record with the county recorder after which it is binding upon the parties and upon all succeeding occupants of the lands."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Vellenga from the Committee on Judiciary to which was referred:

H. F. No. 2160, A bill for an act relating to family law; modifying provisions dealing with the administration, computation, and enforcement of child support; modifying visitation provisions; imposing penalties; appropriating money; amending Minnesota Statutes 1990, sections 257.67, subdivision 3; 357.021, subdivision 1a; 518.003, subdivision 3; 518.14; 518.171, subdivisions 1, 3, 4, 5, 6, 7, and 9; 518.175, subdivision 1; 518.54, subdivision 4; 518.551, subdivisions 1, 7, and 10, and by adding subdivisions; 518.57, subdivision 1, and by adding subdivisions; 518.611, subdivision 4; 548.091, subdivision 1a; 588.20; and 609.375, subdivisions 1 and 2; Minnesota Statutes 1991 Supplement, sections 214.101, subdivision 1; 357.021, subdivision 2; 518.551, subdivisions 5 and 12; and 518.64, subdivisions 1, 2, and 5; proposing coding for new law in Minnesota Statutes, chapters 16B and 518; repealing Minnesota Statutes 1990, section 609.37.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

**“ARTICLE 1**

**COMPUTATION AND ENFORCEMENT OF SUPPORT**

**Section 1. [16B.091] [CONTRACTS; COMPLIANCE WITH CHILD SUPPORT ORDERS.]**

A state agency may not enter into, extend, or renew a contract with an individual unless the individual submits a verified statement that the individual is not under a court-ordered obligation to pay child support or that the individual is in good standing with respect to a court-ordered child support obligation. For purposes of this section, an individual is in good standing if:

(1) no arrearages are owed with respect to a child support obligation;

(2) the individual has a motion pending with respect to modification of child support and liability for arrearages; or

(3) the individual is complying with a court-ordered repayment plan for arrearages.

Sec. 2. Minnesota Statutes 1991 Supplement, section 214.101, subdivision 1, is amended to read:

**Subdivision 1. [COURT ORDER; HEARING ON SUSPENSION.]**

(a) For purposes of this section, “licensing board” means a licensing board or other state agency that issues an occupational license.

(b) If a licensing board receives an order from a court under section 518.551, subdivision 12, dealing with suspension of a license of a person found by the court to be in arrears in child support payments, the board shall, within 30 days of receipt of the court order, provide notice to the licensee and hold a hearing. If the board finds that the person is licensed by the board and evidence of full payment of arrearages found to be due by the court is not presented at the hearing, the board shall suspend the license unless it determines that probation is appropriate under subdivision 2. The only issues to be determined by the board are whether the person named in the court order is a licensee, whether the arrearages have been paid, and whether suspension or probation is appropriate. The board may not consider evidence with respect to the appropriateness of the court order or the ability of the person to comply with the order. The board may not lift the suspension until the licensee files

with the board proof showing that the licensee is current in child support payments.

Sec. 3. Minnesota Statutes 1990, section 257.67, subdivision 3, is amended to read:

Subd. 3. Willful failure to obey the judgment or order of the court is a civil contempt of the court. All remedies for the enforcement of judgments apply including those available under chapters 518 and 518C and sections 518C.01 to 518C.36 and 256.871 to 256.878.

Sec. 4. Minnesota Statutes 1990, section 518.14, is amended to read:

**518.14 [COSTS AND DISBURSEMENTS AND ATTORNEY FEES.]**

In a proceeding under this chapter, the court shall award attorney fees, costs, and disbursements in an amount necessary to enable a party to carry on or contest the proceeding, provided it finds:

- (1) that the fees are necessary for the good-faith assertion of the party's rights in the proceeding and will not contribute unnecessarily to the length and expense of the proceeding;
- (2) that the party from whom fees, costs, and disbursements are sought has the means to pay them; and
- (3) that the party to whom fees, costs, and disbursements are awarded does not have the means to pay them.

Nothing in this section precludes the court from awarding, in its discretion, additional fees, costs, and disbursements against a party who unreasonably contributes to the length or expense of the proceeding. Fees, costs, and disbursements provided for in this section may be awarded at any point in the proceeding, including a modification proceeding under section 518.64. The court may adjudge costs and disbursements against either party. The court may authorize the collection of money awarded by execution, or out of property sequestered, or in any other manner within the power of the court. An award of attorney's fees made by the court during the pendency of the proceeding or in the final judgment survives the proceeding and if not paid by the party directed to pay the same may be enforced as above provided or by a separate civil action brought in the attorney's own name. If the proceeding is dismissed or abandoned prior to determination and award of attorney's fees, the court may nevertheless award attorney's fees upon the attorney's motion. The award shall also survive the proceeding and may be enforced in the same manner as last above provided.

Sec. 5. Minnesota Statutes 1990, section 518.171, subdivision 1, is amended to read:

Subdivision 1. [ORDER.] Unless the obligee has comparable or The court shall order the parent who has better group dependent health insurance coverage available at a more reasonable cost, the court shall order the obligor, after considering cost, to name the minor child as beneficiary on any health and dental insurance plan that is available to the obligor parent on a group basis or through an employer or union. If only one parent has such coverage available, the court shall order that parent to name the minor child as beneficiary. "Health insurance coverage" as used in this section does not include medical assistance provided under chapter 256, 256B, or 256D.

If the court finds that dependent health or dental insurance is not available to the obligor either parent on a group basis or through an employer or union, or that the group insurer is not accessible to the obligee custodial parent, the court may require the obligor either parent to obtain dependent health or dental insurance, or to be liable for reasonable and necessary medical or dental expenses of the child.

If the court finds that the dependent health or dental insurance required to be obtained by the obligor does not pay all the reasonable and necessary medical or dental expenses of the child, or that the dependent health or dental insurance available to the obligee does not pay all the reasonable and necessary medical or dental expenses of the child, and the court finds that the obligor has the financial ability to contribute to the payment of these medical or dental expenses, the court shall require the obligor to be liable for all or a portion of the medical or dental expenses of the child not covered by the required health or dental plan. If the court awards child support in the guidelines amount, the parents shall contribute equally to the cost of the premium for the child and the cost of medical or dental expenses of the child not covered by health or dental insurance. If the court awards child support in a lesser amount, the court shall allocate the cost of the premium for the child and the cost of any medical or dental expenses of the child not covered by health or dental insurance to each parent in proportion to the parent's share, after the transfer of child support, of the total combined net incomes of the parents.

Sec. 6. Minnesota Statutes 1990, section 518.171, subdivision 3, is amended to read:

Subd. 3. [IMPLEMENTATION.] (a) Upon the entry of an order for insurance coverage under this section, the court shall mail a copy of the court order for insurance coverage shall be forwarded to the obligor's employer or union by the obligee or the public authority

responsible for support enforcement only when ordered by the court or when the following conditions are met:

(1) the obligor fails to provide written proof to the obligee or the public authority, within 30 days of receiving effective notice of the court order, that the insurance has been obtained or that application for insurability has been made;

(2) the obligee or the public authority serves written notice of its intent to enforce medical support on the obligor by mail at the obligor's last known post office address; and

(3) the obligor fails within 15 days after the mailing of the notice to provide written proof to the obligee or the public authority that the insurance coverage existed as of the date of mailing of the parent who is responsible for the insurance coverage, if insurance is available to the parent on a group basis. The employer or union shall forward a copy of the order to the health and dental insurance plan offered by the employer.

Sec. 7. Minnesota Statutes 1990, section 518.171, subdivision 4, is amended to read:

Subd. 4. [EFFECT OF ORDER.] The order is binding on the employer or union and the health and dental insurance plan when service under subdivision 3 has been made. Upon receipt of the order, or upon application of the obligor pursuant to the order, the employer or union and its health and dental insurance plan shall enroll the minor child as a beneficiary in the group insurance plan and withhold any required premium from the obligor's income or wages. If more than one plan is offered by the employer or union, the child shall be enrolled in the insurance plan in which the obligor is enrolled or the least costly plan otherwise available to the obligor that is comparable to a number two qualified plan. An employer or union that fails to comply with the order for 30 or more days is subject to contempt of court. Failure of the obligor to execute any documents necessary to enroll the dependent in the group health and dental insurance plan will not affect the obligation of the employer or union and group health and dental insurance plan to enroll the dependent in a plan for which other eligibility requirements are met. Information and authorization provided by the public authority responsible for child support enforcement, or by the custodial parent or guardian, is valid for the purposes of meeting enrollment requirements of the health plan. The insurance coverage for a child eligible under subdivision 5 shall not be terminated except as authorized in subdivision 5.

Sec. 8. Minnesota Statutes 1990, section 518.171, subdivision 6, is amended to read:

Subd. 6. [INSURER REIMBURSEMENT; CORRESPONDENCE

AND NOTICE.] (a) The signature of the custodial parent of the insured dependent is a valid authorization to the insurer for purposes of processing an insurance reimbursement payment to the provider of the medical services. If a parent makes a payment for medical services for which reimbursement is required, the insurer shall pay the reimbursement directly to the parent who made the payment.

(b) The insurer shall send copies of all correspondence regarding the insurance coverage to both parents. When an order for dependent insurance coverage is in effect and the obligor's employment is terminated, or the insurance coverage is terminated, the insurer shall notify the obligee within ten days of the termination date with notice of conversion privileges.

Sec. 9. [518.173] [CHILD CARE EXPENSES.]

If, at the time a child support order is entered, joint physical custody of the child is not ordered and the party who has physical custody has work-related child care expenses, the court shall allocate the cost of work-related child care to each parent in proportion to each parent's share, after the transfer of child support, of the total combined net incomes of the parents.

Sec. 10. Minnesota Statutes 1990, section 518.175, subdivision 1, is amended to read:

Subdivision 1. In all proceedings for dissolution or legal separation, subsequent to the commencement of the proceeding and continuing thereafter during the minority of the child, the court shall, upon the request of either parent, grant such rights of visitation on behalf of the each child and noncustodial parent as will enable the child and the noncustodial parent to maintain a child to parent relationship that will be in the best interests of the child. In particular, the court shall consider the need of each child to spend time alone with each parent. If the court finds, after a hearing, that visitation is likely to endanger the any child's physical or emotional health or impair the any child's emotional development, the court shall restrict visitation by the noncustodial parent with that child as to time, place, duration, or supervision and may deny visitation entirely, as the circumstances warrant. The court shall consider the age of the each child and the each child's relationship with the noncustodial parent prior to the commencement of the proceeding. A parent's failure to pay support because of the parent's inability to do so shall not be sufficient cause for denial of visitation.

Sec. 11. Minnesota Statutes 1990, section 518.54, subdivision 4, is amended to read:

Subd. 4. [SUPPORT MONEY; CHILD SUPPORT.] "Support money" or "child support" means:

(1) an award in a dissolution, legal separation, or annulment, or parentage proceeding for the care, support and education of any child of the marriage or of the parties to the annulment proceeding; or

Macklin and Schreiber introduced:

(2) a contribution by parents ordered under section 256.87.

“Support money” or “child support” includes interest on arrearages under section 23.

Sec. 12. Minnesota Statutes 1990, section 518.551, subdivision 1, is amended to read: 21 subdivision 1. Minnesota Statutes 1991 Supplement, section 518.551, subdivision 1, 10.43, subdivision 1.

Subdivision 1. [SCOPE; PAYMENT TO PUBLIC AGENCY.] (a) This section applies to all proceedings involving an award of the child support.

(b) The court shall direct that all payments ordered for maintenance and support be made to the public agency responsible for child support enforcement so long as the obligee is receiving or has applied for public assistance, or has applied for child support and maintenance collection services. Public authorities responsible for child support enforcement may act on behalf of other public authorities responsible for child support enforcement. This includes the authority to represent the legal interests of or execute documents on behalf of the other public authority in connection with the establishment, enforcement, and collection of child support, maintenance, or medical support, and collection on judgments. Amounts received by the public agency responsible for child support enforcement greater than the amount granted to the obligee shall be remitted to the obligee.

Sec. 13. Minnesota Statutes 1991 Supplement, section 518.551, subdivision 5, is amended to read:

Subd. 5. [NOTICE TO PUBLIC AUTHORITY; GUIDELINES.] (a) The petitioner shall notify the public authority of all proceedings for dissolution, legal separation, determination of parentage or for the custody of a child, if either party is receiving aid to families with dependent children or applies for it subsequent to the commencement of the proceeding. After receipt of the notice, the court shall set child support as provided in this subdivision. The court may order either or both parents owing a duty of support to a child of the marriage to pay an amount reasonable or necessary for the child's support, without regard to marital misconduct. The court shall approve a child support stipulation of the parties if each party is represented by independent counsel, unless the stipulation does not meet the conditions of paragraph (h). In other cases the court shall determine and order child support in a specific dollar amount in accordance with the guidelines and the other factors set forth in paragraph (b) and any departure therefrom. The court may also



order the obligor to pay child support in the form of a percentage share of the obligor's net bonuses, commissions, or other forms of compensation, in addition to, or if the obligor receives no base pay in lieu of, an order for a specific dollar amount.

Minnesota Statutes 1990, sections 363.01, subdivision 3b, and by adding a subdivision 3b.02, subdivisions 363.02, and 363.03, to the

(b) The court shall derive a specific dollar amount by multiplying the obligor's net income by the percentage indicated by the following guidelines:

The bill was read for the first time and referred to the Committee on Judiciary.

**Net Income Per**

**Month of Obligor**

**Number of Children**

	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7 or more</b>
Stenius, Valente, Rumbek and O'Connor introduced:							

**\$400 and Below** Order based on the ability of the obligor to provide support at these income levels, or at higher levels, if the obligor has the earning ability.

The bill was read for the first time and referred to the Committee on Transportation.

<b>\$401- 500</b>	14%	17%	20%	22%	24%	26%	28%
<b>\$501- 550</b>	15%	18%	21%	24%	26%	28%	30%
<b>\$551- 600</b>	16%	19%	22%	25%	28%	30%	32%
<b>\$601- 650</b>	17%	21%	24%	27%	29%	32%	34%
<b>\$651- 700</b>	18%	22%	25%	28%	31%	34%	36%
<b>\$701- 750</b>	19%	23%	27%	30%	33%	36%	38%
<b>\$751- 800</b>	20%	24%	28%	31%	35%	38%	40%
<b>\$801- 850</b>	21%	25%	29%	33%	36%	40%	42%
<b>\$851- 900</b>	22%	27%	31%	34%	38%	41%	44%
<b>\$901- 950</b>	23%	28%	32%	36%	40%	43%	46%
<b>\$951-1000</b>	24%	29%	34%	38%	41%	45%	48%
<b>\$1001-4000 10,000</b>	25%	30%	35%	39%	43%	47%	50%

Guidelines for support for an obligor with a monthly income of \$4,001 \$10,000 or more shall be the same dollar amounts as provided for in the guidelines for an obligor with a monthly income of \$4,000 \$10,000. The court may apply the guideline percentages for net monthly incomes of \$1,001 to \$10,000 to any portion of net monthly income in excess of \$10,000, but the rebuttable presumption in paragraph (i) does not apply to this additional amount.

sections 363.01, subdivisions 2, 6, 8, 11, and by adding subdivision 3b.02, subdivisions 363.02, and 363.03, to the

**Net Income defined as:**

- Total monthly income less**
  - \* (i) Federal Income Tax**
  - \* (ii) State Income Tax**
  - \* (iii) Social Security Deductions**
  - (iv) Reasonable Pension Deductions**

The bill was read for the first time and referred to the Committee on Government and Natural Resources.

*Standard Deductions apply—use of tax tables recommended	(v)	Union Dues
	(vi)	Cost of Dependent Health Insurance Coverage
	(vii)	Cost of Individual or Group Health/ Hospitalization Coverage or an Amount for Actual Medical Expenses
	(viii)	A Child Support or Maintenance Order that is Currently Being Paid.

“Net income” does not include:

(1) the income of the obligor’s spouse, but does include in-kind payments received by the obligor in the course of employment, self-employment, or operation of a business if the payments reduce the obligor’s living expenses; or

(2) compensation received by a party for employment in excess of a 40-hour work week, provided that:

(i) support is nonetheless ordered in an amount at least equal to the guidelines amount based on income not excluded under this clause; and

(ii) the party demonstrates, and the court finds, that:

(A) the excess employment began after the filing of the petition for dissolution;

(B) the excess employment reflects an increase in the work schedule or hours worked over that of the two years immediately preceding the filing of the petition;

(C) the excess employment is voluntary and not a condition of employment;

(D) the excess employment is in the nature of additional, part-time or overtime employment compensable by the hour or fraction of an hour; and

(E) the party's compensation structure has not been changed for the purpose of affecting a support or maintenance obligation.

~~(b)~~ (c) In addition to the child support guidelines, the court shall take into consideration the following factors in setting or modifying child support:

(1) all earnings, income, and resources of the parents, including real and personal property, but excluding income from excess employment of the obligor or obligee that meets the criteria of paragraph ~~(a)~~ (b), clause (2)(ii);

(2) the financial needs and resources, physical and emotional condition, and educational needs of the child or children to be supported;

(3) the standards of living the child would have enjoyed had the marriage not been dissolved, but recognizing that the parents now have separate households;

~~(4) the amount of the aid to families with dependent children grant for the child or children;~~

~~(5)~~ which parent receives the income taxation dependency exemption and what financial benefit the parent receives from it; and

~~(6)~~ (5) the parents' debts as provided in paragraph ~~(e)~~ (d); and

(6) existing or anticipated extraordinary medical expenses of the child.

~~(e)~~ (d) In establishing or modifying a support obligation, the court may consider debts owed to private creditors, but only if:

(1) the right to support has not been assigned under section 256.74;

(2) the court determines that the debt was reasonably incurred for necessary support of the child or parent or for the necessary generation of income. If the debt was incurred for the necessary generation of income, the court shall consider only the amount of debt that is essential to the continuing generation of income; and

(3) the party requesting a departure produces a sworn schedule of the debts, with supporting documentation, showing goods or services purchased, the recipient of them, the amount of the original debt, the outstanding balance, the monthly payment, and the number of months until the debt will be fully paid.

(d) (e) Any schedule prepared under paragraph (e) (d); clause (3), shall contain a statement that the debt will be fully paid after the number of months shown in the schedule, barring emergencies beyond the party's control.

(e) (f) Any further departure below the guidelines that is based on a consideration of debts owed to private creditors shall not exceed 18 months in duration; after which the support shall increase automatically to the level ordered by the court. Nothing in this section shall be construed to prohibit one or more step increases in support to reflect debt retirement during the 18-month period.

(f) (g) If payment of debt is ordered pursuant to this section, the payment shall be ordered to be in the nature of child support.

(g) (h) Nothing shall preclude the court from receiving evidence on the above factors to determine if the guidelines should be exceeded or modified in a particular case.

(h) (i) The guidelines in this subdivision are a rebuttable presumption and shall be used in all cases when establishing or modifying child support. If the court does not deviate from the guidelines, the court shall make written findings concerning the amount of the obligor's income used as the basis for the guidelines calculation and any other significant evidentiary factors affecting the determination of child support. If the court deviates from the guidelines, the court shall make written findings giving the reasons for the deviation and shall specifically address the criteria in paragraph (b) (c) and how the deviation serves the best interest of the child. The provisions of this paragraph apply whether or not the parties are each represented by independent counsel and have entered into a written agreement. The court shall review stipulations presented to it for conformity to the guidelines and the court is not required to conduct a hearing, but the parties shall provide the documentation of earnings required under subdivision 5b.

(i) (j) Under no circumstances shall the fact that the obligee receives public assistance be grounds for the court to depart downward from the applicable child support amount calculated under paragraph (b).

Sec. 14. Minnesota Statutes 1990, section 518.551, is amended by adding a subdivision to read: 175A.02; 175A.03; 175A.04; 175A.05; 175A.06; 175A.07; 175A.08; 175A.09; 175A.10; 175A.11, subdivision

Subd. 5d. [EDUCATION TRUST FUND.] If the child support order provides the child with a reasonable standard of living, the parties may agree to designate a sum of money as a trust fund for the costs of post-secondary education. The court shall advise parties that this option is available and that they may wish to consult an attorney concerning the creation of a trust. The state court administrator, in consultation with attorneys experienced in trust law, shall prepare a

model trust instrument which the court administrator shall provide to parties who have minor children.

H. R. No. 2763. A bill for an act relating to human services;

Sec. 15. Minnesota Statutes 1991 Supplement, section 518.551, subdivision 12, is amended to read: which determining family income; delaying the date of implementation for field trials of Minne-

Subd. 12. [OCCUPATIONAL LICENSE SUSPENSION.] Upon petition of an obligee or public agency responsible for child support enforcement, if the court finds that the obligor is in arrears in court-ordered child support payments, the court may provide for suspension of licenses as provided in this subdivision. If the court finds that the obligor is or may be licensed by a licensing board listed in section 214.01 and the obligor is in arrears in court-ordered child support payments or by any other state agency that issues an occupational license, the court may direct the licensing board or other licensing agency to conduct a hearing under section 214.101 concerning suspension of the obligor's license. If the obligor is a licensed attorney, the court may report the matter to the lawyers professional responsibility board for appropriate action in accordance with the rules of professional conduct.

The remedy under this subdivision is in addition to any other enforcement remedy available to the court.

Sec. 16. Minnesota Statutes 1990, section 518.57, subdivision 1, is amended to read:

Subdivision 1. [ORDER.] Upon a decree of dissolution, legal separation or annulment, the court shall make a further order which is just and proper concerning the maintenance of the minor children as provided by section 518.551, and for the maintenance of any child of the parties as defined in section 518.54, as support money, and. The court may make the same any child support order a lien or charge upon the property of the parties to the proceeding, or either of them obligor, either at the time of the entry of the judgment or by subsequent order upon proper application.

Hartig, Schuler, Leppik, Tunheim and Olson, E., introduced:

Sec. 17. Minnesota Statutes 1990, section 518.57, is amended by adding a subdivision to read:

Subd. 4. [OTHER CUSTODIANS.] If a child resides with a person

other than a parent and the court approves of the custody arrangement, the court may order child support payments to be made to the custodian regardless of whether the person has legal custody.

Sec. 18. [518.585] [NOTICE OF INTEREST ON LATE CHILD SUPPORT.] introduced:

Any judgment or decree of dissolution or legal separation containing a requirement of child support and any determination of

parentage, order under chapter 518C, order under section 256.87, or order under section 260.251 must include a notice to the parties that section 23 provides for interest to begin accruing on a payment or installment of child support whenever the unpaid amount due is greater than the current support due.

Sec. 19. Minnesota Statutes 1990, section 518.611, subdivision 4, is amended to read:

Subd. 4. [EFFECT OF ORDER.] (a) Notwithstanding any law to the contrary, the order is binding on the employer, trustee, payor of the funds, or financial institution when service under subdivision 2 has been made. Withholding must begin no later than the first pay period that occurs after 14 days following the date of the notice. In the case of a financial institution, preauthorized transfers must occur in accordance with a court-ordered payment schedule. An employer, payor of funds, or financial institution in this state is required to withhold income according to court orders for withholding issued by other states or territories. The payor shall withhold from the income payable to the obligor the amount specified in the order and amounts required under subdivision 2 and section 518.613 and shall remit, within ten days of the date the obligor is paid the remainder of the income, the amounts withheld to the public authority. The payor shall identify on the remittance information the date the obligor is paid the remainder of the income. The obligor is deemed to have paid the amount withheld as of the date the obligor received the remainder of the income. The financial institution shall execute preauthorized transfers from the deposit accounts of the obligor in the amount specified in the order and amounts required under subdivision 2 as directed by the public authority responsible for child support enforcement.

(b) Employers may combine all amounts withheld from one pay period into one payment to each public authority; ~~but~~ or one payment for all public authorities made to a public authority in a county designated by the commissioner of human services. The employer shall separately identify each obligor making payment in accordance with information required by the commissioner of human services. The combined payment must be accompanied by a fee of \$1 for each obligor included in the payment, which must be deposited in the county treasury of the county designated by the commissioner of human services and credited to the county general fund. Amounts received by the public authority which are in excess of public assistance expended for the party or for a child shall be remitted to the party.

(c) An employer shall not discharge, or refuse to hire, or otherwise discipline an employee as a result of a wage or salary withholding authorized by this section. The employer or other payor of funds shall be liable to the obligee for any amounts required to be withheld. A financial institution is liable to the obligee if funds in any of the

obligor's deposit accounts identified in the court order equal the amount stated in the preauthorization agreement but are not transferred by the financial institution in accordance with the agreement. An employer or other payor of funds or a financial institution that fails to withhold or transfer funds in accordance with this section is:

(i) liable to the obligee for interest on the funds at the rate applicable to judgments under section 549.09, computed from the date the funds were required to be withheld or transferred;

(ii) liable for reasonable attorney fees of the obligee or public authority incurred in enforcing the liability under this paragraph; and

(iii) subject to contempt of court if it fails to comply with the requirements of this section for 30 days or more.

Sec. 20. Minnesota Statutes 1991 Supplement, section 518.64, subdivision 1, is amended to read:

Subdivision 1. [MODIFICATION; CONTEMPT.] After an order for maintenance or support money, temporary or permanent, or for the appointment of trustees to receive property awarded as maintenance or support money, the court may from time to time, on motion of either of the parties, a copy of which is served on the public authority responsible for child support enforcement if payments are made through it, or on motion of the public authority responsible for support enforcement, modify the order respecting the amount of maintenance or support money, and the payment of it, and also respecting the appropriation and payment of the principal and income of property held in trust, and may make an order respecting these matters which it might have made in the original proceeding, except as herein otherwise provided. The obligee or public authority also may bring a motion for contempt of court if the obligor is in arrears in support or maintenance payments.

Sec. 21. Minnesota Statutes 1991 Supplement, section 518.64, subdivision 2, is amended to read:

Subd. 2. [MODIFICATION.] (a) The terms of an order respecting maintenance or support may be modified upon a showing of one or more of the following: (1) substantially increased or decreased earnings of a party; (2) substantially increased or decreased need of a party or the child or children that are the subject of these proceedings; (3) receipt of assistance under sections 256.72 to 256.87; ~~or~~ (4) a change in the cost of living for either party as measured by the federal bureau of statistics, any of which makes the terms unreasonable and unfair; or (5) extraordinary medical expenses of the child.





(ii) the court also considers the financial circumstances of each party's spouse, if any.

(c) A modification of support or maintenance may be made retroactive only with respect to any period during which the petitioning party has pending a motion for modification but only from the date of service of notice of the motion on the responding party and on the public authority if public assistance is being furnished or the county attorney is the attorney of record. However, modification may be applied to an earlier period if the court makes express findings that the party seeking modification was precluded from serving a motion by reason of a significant physical or mental disability, a material misrepresentation of another party, or fraud upon the court and that the party seeking modification, when no longer precluded, promptly served a motion.

CONSENT CALENDAR

(d) Except for an award of the right of occupancy of the homestead, provided in section 518.63, all divisions of real and personal property provided by section 518.58 shall be final, and may be revoked or modified only where the court finds the existence of conditions that justify reopening a judgment under the laws of this state, including motions under section 518.145, subdivision 2. The court may impose a lien or charge on the divided property at any time while the property, or subsequently acquired property, is owned by the parties or either of them, for the payment of maintenance or support money, or may sequester the property as is provided by section 518.24.

(e) The court need not hold an evidentiary hearing on a motion for modification of maintenance or support.

(f) Section 518.14 shall govern the award of attorney fees for motions brought under this subdivision.

Sec. 22. Minnesota Statutes, 1991 Supplement, section 518.64, subdivision 5, is amended to read:

Subd. 5. [FORM.] The department of human services shall prepare and make available to courts, obligors and persons to whom child support is owed a form to be submitted by the obligor or the person to whom child support is owed in support of a motion for a modification of an order for support or maintenance or for contempt of court. The rulemaking provisions of chapter 14 shall not apply to the preparation of the form.

Sec. 23. Minnesota Statutes, 1990, section 548.091, subdivision 1a, is amended to read:

Subd. 1a. [CHILD SUPPORT JUDGMENT BY OPERATION OF LAW.] Any payment or installment of support required by a judgment or decree of dissolution or legal separation, determination of

parentage, an order under chapter 518C, an order under section 256.87, or an order under section 260.251, that is not paid or withheld from the obligor's income as required under section 518.611 or 518.613, is a judgment by operation of law on and after the date it is due and is entitled to full faith and credit in this state and any other state. Interest accrues at an annual rate of ten percent from the date the judgment on the payment or installment is entered and docketed under subdivision 3a, at the annual rate provided in section 549.09, subdivision 1 unpaid amount due is greater than the current support due. A payment or installment of support that becomes a judgment by operation of law between the date on which a party served notice of a motion for modification under section 518.64, subdivision 2, and the date of the court's order on modification may be modified under that subdivision.

Sec. 24. Minnesota Statutes 1990, section 588.20, is amended to read:

**588.20 [CRIMINAL CONTEMPTS.]**

Every person who shall commit a contempt of court, of any one of the following kinds, shall be guilty of a misdemeanor:

(1) Disorderly, contemptuous, or insolent behavior, committed during the sitting of the court, in its immediate view and presence, and directly tending to interrupt its proceedings, or to impair the respect due to its authority;

(2) Behavior of like character in the presence of a referee, while actually engaged in a trial or hearing, pursuant to an order of court, or in the presence of a jury while actually sitting for the trial of a cause, or upon an inquest or other proceeding authorized by law;

(3) Breach of the peace, noise, or other disturbance directly tending to interrupt the proceedings of a court, jury, or referee;

(4) Willful disobedience to the lawful process or other mandate of a court;

(5) Resistance willfully offered to its lawful process or other mandate;

(6) Contumacious and unlawful refusal to be sworn as a witness, or, after being sworn, to answer any legal and proper interrogatory;

(7) Publication of a false or grossly inaccurate report of its proceedings; or

(8) Willful failure to pay court-ordered child support when the obligor has the ability to pay.

No person shall be punished as herein provided for publishing a true, full, and fair report of a trial, argument, decision, or other proceeding had in court.

Sec. 25. Minnesota Statutes 1990, section 609.375, subdivision 1, is amended to read:

Subdivision 1. Whoever is legally obligated to provide care and support to a spouse who is in necessitous circumstances, or child, whether or not its custody has been granted to another, and knowingly omits and fails without lawful excuse to do so is guilty of ~~non~~support of the spouse or child, as the case may be a misdemeanor, and upon conviction thereof may be sentenced to imprisonment for not more than 90 days or to payment of a fine of not more than ~~\$300~~\$700, or both. Willful failure to make court-ordered child support or spousal maintenance payments is prima facie evidence of a violation of this subdivision.

Sec. 26. Minnesota Statutes 1990, section 609.375, subdivision 2, is amended to read:

Subd. 2. If the ~~knowing omission and failure without lawful excuse to provide care and support to a spouse, a minor child, or a pregnant wife~~ violation of subdivision 1 continues for a period in excess of 90 days the person is guilty of a felony and may be sentenced to imprisonment for not more than five years or to payment of a fine of not more than \$10,000, or both.

Sec. 27. [INCOME WITHHOLDING; SINGLE CHECK SYSTEM.]

Within the limits of available appropriations, the commissioner of human services shall designate one or more counties where the public authority will receive and distribute combined child support payments withheld from income by employers under Minnesota Statutes, section 518.611, subdivision 4, paragraph (b). The commissioner shall specify the information to be provided by employers in order to separately identify each obligor making a payment.

Sec. 28. [REPEALER.]

Minnesota Statutes 1990, section 609.37, is repealed.

Sec. 29. [EFFECTIVE DATE; APPLICATION.]

(a) Section 18 is effective August 1, 1992, for all judgments, decrees, and orders entered on or after that date.

(b) Section 19, paragraph (b), is effective January 1, 1994.

(c) Section 23 is effective August 1, 1992, for all payments and installments of child support due on or after that date.

(d) Sections 24 to 26 and 28 are effective August 1, 1992, and apply to crimes committed on or after that date.

**ARTICLE 2**

**ADMINISTRATION AND FUNDING**

The bill was read for the third time and passed by a majority of the members present.  
**Section 1.** Minnesota Statutes 1990, section 357.021, subdivision 1a, is amended to read:

The question was taken on the passage of the bill and the yeas were called.  
**Subd. 1a. (a) Every person, including the state of Minnesota and all bodies politic and corporate, who shall transact any business in the district court, shall pay to the court administrator of said court the sundry fees prescribed in subdivision 2. Except as provided in paragraph (d), the court administrator shall transmit the fees monthly to the state treasurer for deposit in the state treasury and credit to the general fund.**

**(b) In a county which has a screener-collector position, fees paid by a county pursuant to this subdivision shall be transmitted monthly to the county treasurer, who shall apply the fees first to reimburse the county for the amount of the salary paid for the screener-collector position. The balance of the fees collected shall then be forwarded to the state treasurer for deposit in the state treasury and credited to the general fund. A screener-collector position for purposes of this paragraph is an employee whose function is to increase the collection of fines and to review the incomes of potential clients of the public defender, in order to verify eligibility for that service.**

**(c) No fee is required under this section from the public authority or the party the public authority represents in an action for:**

**(1) child support enforcement or modification, medical assistance enforcement, or establishment of parentage in the district court, or child or medical support enforcement conducted by an administrative law judge in an administrative hearing under section 518.551, subdivision 10;**

**(2) civil commitment under chapter 253B;**

**(3) the appointment of a public conservator or public guardian or any other action under chapters 252A and 525;**

**(4) wrongfully obtaining public assistance under section 256.98 or 256D.07, or recovery of overpayments of public assistance;**

**(5) court relief under chapter 260;**

(6) forfeiture of property under sections 609.531 to 609.5317;

(7) recovery of amounts issued by political subdivisions or public institutions under sections 246.52, 252.27, 256.045, 256.25, 256.87, 256B.042, 256B.14, 256B.15, 256B.37, and 260.251, or other sections referring to other forms of public assistance; or

(8) restitution under section 611A.04.

(d) The fees collected for child support modifications under subdivision 2, clause (11), must be transmitted to the county treasurer for deposit in the county general fund. The fees must be used by the county to pay for child support enforcement efforts by county attorneys.

Sec. 2. Minnesota Statutes 1991 Supplement, section 357.021, subdivision 2, is amended to read:

Subd. 2. [FEE AMOUNTS.] The fees to be charged and collected by the court administrator shall be as follows:

(1) In every civil action or proceeding in said court, the plaintiff, petitioner, or other moving party shall pay, when the first paper is filed for that party in said action, a fee of \$85.

The defendant or other adverse or intervening party, or any one or more of several defendants or other adverse or intervening parties appearing separately from the others, shall pay, when the first paper is filed for that party in said action, a fee of \$85.

The party requesting a trial by jury shall pay \$30.

The fees above stated shall be the full trial fee chargeable to said parties irrespective of whether trial be to the court alone, to the court and jury, or disposed of without trial, and shall include the entry of judgment in the action, but does not include copies or certified copies of any papers so filed or proceedings under chapter 103E, except the provisions therein as to appeals.

(2) Certified copy of any instrument from a civil or criminal proceeding, \$5, plus 25 cents per page after the first page, and \$3.50, plus 25 cents per page after the first page for an uncertified copy.

(3) Issuing a subpoena, \$3 for each name.

(4) Issuing an execution and filing the return thereof; issuing a writ of attachment, injunction, habeas corpus, mandamus, quo warranto, certiorari, or other writs not specifically mentioned, \$10.

(5) Issuing a transcript of judgment, or for filing and docketing a transcript of judgment from another court, \$7.50.

(6) Filing and entering a satisfaction of judgment, partial satisfaction, or assignment of judgment, \$5.

(7) Certificate as to existence or nonexistence of judgments docketed, \$5 for each name certified to.

(8) Filing and indexing trade name; or recording notary commission; or recording basic science certificate; or recording certificate of physicians, osteopaths, chiropractors, veterinarians, or optometrists, \$5.

(9) For the filing of each partial, final, or annual account in all trusteeships, \$10.

(10) For the deposit of a will, \$5.

(11) Filing a motion or response to a motion for modification of child support, a fee fixed by rule or order of the supreme court.

(12) All other services required by law for which no fee is provided, such fee as compares favorably with those herein provided, or such as may be fixed by rule or order of the court.

Sec. 3. Minnesota Statutes 1990, section 518.551, subdivision 7, is amended to read:

Subd. 7. [SERVICE FEE.] When the public agency responsible for child support enforcement provides child support collection services either to a public assistance recipient or to a party who does not receive public assistance, the public agency may upon written notice to the obligor charge a monthly collection fee equivalent to the full monthly cost to the county of providing collection services, in addition to the amount of the child support which was ordered by the court. The fee shall be deposited in the county general fund. The service fee assessed is limited to ten percent of the monthly court ordered child support and shall not be assessed to obligors who are current in payment of the monthly court ordered child support. The public agency may impose a late fee penalty at an annual rate of six percent of the unpaid support due, commencing 30 days after the end of the month when the support was due. An application fee not to exceed ~~\$5~~ \$25 shall be paid by the person who applies for child support and maintenance collection services, except persons who transfer from public assistance to nonpublic assistance status. Fees assessed by state and federal tax agencies for collection of overdue support owed to or on behalf of a person not receiving public assistance must be imposed on the person for whom these services are provided.

However, the limitations of this subdivision on the assessment of fees shall not apply to the extent inconsistent with the requirements of federal law for receiving funds for the programs under Title IV-A and Title IV-D of the Social Security Act, United States Code, title 42, sections 601 to 613 and United States Code, title 42, sections 651 to 662.

Sec. 4. Minnesota Statutes 1990, section 518.551, subdivision 10, is amended to read:

Subd. 10. [ADMINISTRATIVE PROCESS FOR CHILD AND MEDICAL SUPPORT ORDERS.] (a) An administrative process is established to obtain, modify, and enforce child and medical support orders and maintenance.

The commissioner of human services may designate counties to participate in the administrative process established by this section. All proceedings for obtaining, modifying, or enforcing child and medical support orders and maintenance and adjudicating uncontested parentage proceedings, required to be conducted in counties designated by the commissioner of human services in which the county human services agency is a party or represents a party to the action must be conducted by an administrative law judge from the office of administrative hearings, except for the following proceedings:

- (1) adjudication of contested parentage;
- (2) motions to set aside a paternity adjudication or declaration of parentage;
- (3) evidentiary hearing on contempt motions; and
- (4) motions to sentence or to revoke the stay of a jail sentence in contempt proceedings.

(b) An administrative law judge may hear a stipulation reached on a contempt motion, but any stipulation that involves a finding of contempt and a jail sentence, whether stayed or imposed, shall require the review and signature of a district judge.

(c) For the purpose of this process, all powers, duties, and responsibilities conferred on judges of the district court to obtain and enforce child and medical support obligations, subject to the limitation set forth herein, are conferred on the administrative law judge conducting the proceedings, including the power to issue orders to show cause and to issue bench warrants for failure to appear.

(d) Before implementing the process in a county, the chief administrative law judge, the commissioner of human services, the direc-

tor of the county human services agency, the county attorney, and the county court administrator shall jointly establish procedures and the county shall provide hearing facilities for implementing this process in a county. Taken on the passage of the bill and the roll was called. There were 21 yeas and 0 nays as follows:

(e) Nonattorney employees of the public agency responsible for child support in the counties designated by the commissioner, acting at the direction of the county attorney, may prepare, sign, serve, and file complaints and motions for obtaining, modifying, or enforcing child and medical support orders and maintenance and related documents; appear at prehearing conferences, and participate in proceedings before an administrative law judge. This activity shall not be considered to be the unauthorized practice of law.

(f) The hearings shall be conducted under the rules of the office of administrative hearings, Minnesota Rules, parts 1400.7100 to 1400.7500, 1400.7700, and 1400.7800, as adopted by the chief administrative law judge. All other aspects of the case, including, but not limited to, pleadings, discovery, and motions, shall be conducted under the rules of family court, the rules of civil procedure, and chapter 518. The administrative law judge shall make findings of fact, conclusions, and a final decision and issue an order. Orders issued by an administrative law judge are enforceable by the contempt powers of the county and district courts.

(g) The decision and order of the administrative law judge is appealable to the court of appeals in the same manner as a decision of the district court.

(h) Within the limits of available appropriations, the commissioner shall provide grants to counties to cover the costs of the administrative process, including salaries of administrative law judges.

Sec. 5. Minnesota Statutes 1990, section 518.551, is amended by adding a subdivision to read:

Subd. 13. [CONSULTATION WITH LEGAL STAFF AND PRACTITIONERS.] When considering and developing legislative initiatives and when developing rules, procedures, and forms, the state office of child support shall consult judges, attorneys in the department and the attorney general's office, county attorneys and support enforcement staff, and family law practitioners.

Sec. 6. [TASK FORCE.]

The commissioner of human services shall convene a task force consisting of representatives of the office of child support enforcement, local social service agencies, the department of revenue, and legislative staff to make recommendations for a process to collect



child support arrearages. The commissioner of human services and the commissioner of revenue shall report the recommendations of the task force to the chairs of the committees on health and human services and judiciary in the senate and the house of representatives by January 15, 1993. 2354. The motion prevailed.

**Sec. 7. [CHILD SUPPORT COMPUTER SYSTEM.]**

Reiving moved that the name of Fradkoo be added as an author on H. F. No. 2390. The motion prevailed.

The commissioner of human services shall take appropriate action to ensure that the statewide computer system for the collection and enforcement of child support is operating effectively and efficiently as soon as possible. The commissioner shall report to the chairs of the committees on health and human services and judiciary in the senate and the house of representatives by January 15, 1993, concerning the status of the computer system and any problems in the functioning of the system.

Weaver moved that the name of Gutknecht be added as an author on **Sec. 8. [SAVINGS DESIGNATED FOR COUNTY ADMINISTRATION.]**

The commissioner of human services and the commissioner of finance shall estimate the savings to the state that will result from reducing the number of instances in which there are downward deviations from the child support guidelines in cases where the children receive AFDC. Before the end of fiscal year 1993, the amount of the estimated savings for fiscal year 1993 must be transferred from the appropriation for AFDC to the appropriation for county child support enforcement incentive grants in Laws 1991, chapter 292, article 1, section 2, subdivision 4, to be allocated to counties in the same manner as the original appropriation for fiscal year 1993. For purposes of the governor's 1994-1995 biennial budget recommendations, the amount transferred during fiscal year 1993 and any additional savings projected for the biennium as a result of prohibiting downward deviations in AFDC cases must be added to the direct legislative appropriations and considered part of the base level funding for county child support enforcement incentives.

Stanton moved that the name of Krauber be added as an author on **Sec. 9. [APPROPRIATION.]** The motion prevailed.

\$..... is appropriated from the general fund to the commissioner of human services for fiscal year 1993, to provide grants to counties for the costs of the administrative process for child and medical support orders established under Minnesota Statutes, section 518.551, subdivision 10. The motion prevailed.

Delete the title and insert:

"A bill for an act relating to family law; modifying provisions dealing with the administration, computation, and enforcement of child support; modifying visitation provisions; imposing penalties;

appropriating money; amending Minnesota Statutes 1990, sections 257.67, subdivision 3; 357.021, subdivision 1a; 518.14; 518.171, subdivisions 1, 3, 4, and 6; 518.175, subdivision 1; 518.54, subdivision 4; 518.551, subdivisions 1, 7, and 10, and by adding subdivisions; 518.57, subdivision 1, and by adding a subdivision; 518.611, subdivision 4; 548.091, subdivision 1a; 588.20; 609.375, subdivisions 1 and 2; Minnesota Statutes 1991 Supplement, sections 214.101, subdivision 1; 357.021, subdivision 2; 518.551, subdivisions 5 and 12; 518.64, subdivisions 1, 2, and 5; proposing coding for new law in Minnesota Statutes, chapters 16B; and 518; repealing Minnesota Statutes 1990, section 609.37.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Health and Human Services.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 2294, A bill for an act relating to occupations and professions; establishing a board of plumbing; preempting certain local units of government from licensing plumbers; providing administrative remedies; providing penalties; appropriating money; amending Minnesota Statutes 1990, sections 214.01, subdivision 3; 326.01, subdivision 9; 326.37; 326.38; 326.39; 326.40; 326.401, subdivisions 2, 3, and by adding a subdivision; 326.405; 326.41; 326.42; and 326.44; Minnesota Statutes 1991 Supplement, section 214.04, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 326; repealing Minnesota Statutes 1990, sections 325F.75, subdivision 2; and 326.45.

Reported the same back with the following amendments:

Page 4, line 35, delete “1991” and insert “1992”

Page 6, line 2, delete “single-family”

Page 9, delete lines 31 to 34

Page 10, line 35, delete “1992” and insert “1993”

Page 13, line 34, reinstate “pay for” and delete “cover” and delete “costs of”

Page 13, line 35, delete “The”

Page 13, delete line 36

Page 14, delete lines 1 to 3

Page 14, line 11, delete "or more stringent than"

Page 16, delete section 19

Amend the title as follows:

Page 1, line 12, delete the semicolon and insert a period

Page 1, delete lines 13 and 14

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

## **SECOND READING OF HOUSE BILLS**

H. F. Nos. 1791, 2099 and 2115 were read for the second time.

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

The following House Files were introduced:

Cooper introduced:

H. F. No. 2778, A bill for an act relating to health; changing the membership requirements of the board of nursing; amending Minnesota Statutes 1990, section 148.181, subdivision 1.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Clark, Bishop, Vellenga, McGuire and Solberg introduced:

H. F. No. 2779, A bill for an act relating to taxation; imposing additional sales tax on adult oriented materials; providing for deposit of the revenue in a sexual assault and domestic violence account; amending Minnesota Statutes 1990, sections 297A.01, by adding a subdivision; 297A.02, by adding a subdivision; and 297A.44, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 16A.

The bill was read for the first time and referred to the Committee on Judiciary.

Koppendrayer, Lourey and Erhardt introduced:

H. F. No. 2780, A bill for an act relating to taxation; allowing Kanabec county to levy a property tax for the county historical society.

The bill was read for the first time and referred to the Committee on Taxes.

Jaros introduced:

H. F. No. 2781, A bill for an act relating to controlled substances; requiring the chemical abuse prevention resource council to examine and report on whether a drug legalization strategy should be adopted in Minnesota.

The bill was read for the first time and referred to the Committee on Judiciary.

Johnson, R., and Reding introduced:

H. F. No. 2782, A bill for an act relating to retirement; the public employees retirement association; making changes in eligibility and conditions of eligibility for receipt of disability benefits; amending Minnesota Statutes 1990, sections 353.03, subdivisions 3 and 3a; and 353.33, subdivision 4.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Sparby and Wenzel introduced:

H. F. No. 2783, A bill for an act relating to agriculture; authorizing the commissioner of agriculture to make certain adjustments, agreements, and settlements in family farm security loans; providing for transfer and disposition of certain funds; appropriating money; amending Minnesota Statutes 1990, sections 41.56, subdivision 3; 41.57, by adding subdivisions; and 41.61, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Agriculture.

Sarna introduced:

H. F. No. 2784, A bill for an act relating to retirement; Minneapolis police relief association; recodifying the local laws applicable to the local relief association; amending Laws 1980, chapter 607, article XV, sections 8, 9, as amended, and 10; Laws 1989, chapter 319, article 19, sections 6 and 7, subdivisions 1 and 4, as amended; and Laws 1990, chapter 589, article 1, section 6; repealing Minnesota Statutes 1957, sections 423.71; 423.715; 423.72; 423.725; 423.73; 423.735; 423.74; 423.745; 423.75; 423.755; 423.76; 423.765; 423.77; 423.775; Special Laws 1891, chapter 143; Laws 1943, chapter 280; Laws 1949, chapter 406; Laws 1953, chapter 127; Laws 1957, chapters 721 and 939; Laws 1959, chapters 428 and 662; Laws 1961, chapter 532; Laws 1963, chapter 315; Laws 1965, chapters 493, 520, and 534; Laws 1967, chapters 820 and 825; Laws 1969, chapters 258 and 560; Laws 1973, chapters 272 and 309; Laws 1975, chapter 428; Laws 1980, chapter 607, article XV, section 21; Laws 1983, chapter 88; Laws 1987, chapters 322, sections 2, 3, 4, 5, 6, 7, and 8; and 372, article 2, sections 2, 3, 4, 6, and 15; Laws 1988, chapters 572, sections 3, 5, and 6; and 574, sections 2, 4, and 5; Laws 1990, chapter 589, article 1, section 4; and Laws 1991, chapter 90.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Winter introduced:

H. F. No. 2785, A bill for an act relating to education; creating the Waseca higher education center; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 135A.

The bill was read for the first time and referred to the Committee on Education.

Ozment introduced:

H. F. No. 2786, A bill for an act relating to elections; allowing a school district to designate voting hours; amending Minnesota Statutes 1990, section 205A.09.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Hasskamp and Johnson, R., introduced:

H. F. No. 2787, A bill for an act relating to education; defining comparable courses under post-secondary enrollment options;

amending Minnesota Statutes 1990, section 123.3514, subdivisions 4a, 5, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Education.

Johnson, R., and Hasskamp introduced:

H. F. No. 2788, A bill for an act relating to education; amending post-secondary enrollment options funding for school districts for fiscal year 1993 and later years; reenacting and amending Minnesota Statutes 1990, section 123.3514, subdivisions 6 and 6b, as amended; and amending Laws 1991, chapter 265, article 9, section 75.

The bill was read for the first time and referred to the Committee on Education.

Olsen, S., and Dempsey introduced:

H. F. No. 2789, A bill for an act proposing an amendment to the Minnesota Constitution, article IV, section 23; amending provisions governing time deadlines for governors' vetoes.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Segal introduced:

H. F. No. 2790, A bill for an act relating to economic development; proposing an amendment to the Minnesota Constitution; adding a section to article XI establishing a science technology and manufacturing advancement fund; providing implementing legislation for the advancement fund; creating a legislative commission and advisory committee; providing for advancement fund expenditures; appropriating certain tax collections to the advancement fund; allocating certain lottery proceeds to the advancement fund; amending Minnesota Statutes 1990, section 349.212, by adding a subdivision; Minnesota Statutes 1991 Supplement, section 349A.10, subdivision 5; proposing coding for new law as Minnesota Statutes, chapter 116S.

The bill was read for the first time and referred to the Committee on Economic Development.

Reding introduced:

H. F. No. 2791, A bill for an act relating to state government; revising procedures governing state contracts for professional and technical services; amending Minnesota Statutes 1990, sections 15.061; 16B.17; and 16B.19, subdivisions 2 and 10.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Rice introduced:

H. F. No. 2792, A bill for an act relating to retirement; providing level benefits for members of the Minneapolis fire department relief association.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Ogren, Krueger, Bauerly, Bertram and Wenzel introduced:

H. F. No. 2793, A bill for an act relating to agriculture; changing procedures for refunds of commodity promotion checkoff fees; amending Minnesota Statutes 1991 Supplement, section 17.63.

The bill was read for the first time and referred to the Committee on Agriculture.

Solberg introduced:

H. F. No. 2794, A bill for an act relating to traffic regulations; authorizing television screens in police vehicles; amending Minnesota Statutes 1990, section 169.471, subdivision 1.

The bill was read for the first time and referred to the Committee on Transportation.

Krueger, Vanasek, Abrams and Hugoson introduced:

H. F. No. 2795, A bill for an act relating to elections; requiring a study by the secretary of state of mail or telephone balloting in certain primaries.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Clark introduced:

H. F. No. 2796, A bill for an act relating to aging; establishing an advisory task force to study issues of concern to Indian elders; proposing coding for new law in Minnesota Statutes, chapter 256.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Clark, Segal and Greenfield introduced:

H. F. No. 2797, A bill for an act relating to chemical abuse prevention and treatment; requiring coordinated prevention efforts concerning fetal alcohol syndrome and drug-exposed infants; appropriating money for community chemical abuse prevention program grants; providing grants for chemical dependency programs targeted at pregnant women and mothers, high-risk youth, and young children; requiring chemical use assessments for certain juveniles at an earlier stage of the juvenile court process; clarifying the duties of the office of drug policy and the chemical abuse prevention resource council; expanding the council's membership; requiring the development of a chemical health index model; requiring a statewide chemical health media campaign; appropriating money; amending Minnesota Statutes 1990, sections 241.021, by adding a subdivision; 254A.14, by adding a subdivision; 254A.17, subdivision 1, and by adding a subdivision; 260.151, subdivision 1; and 260.172, by adding a subdivision; Minnesota Statutes 1991 Supplement, sections 299A.30, subdivision 2; 299A.31, subdivision 1; and 299A.32, subdivision 2a; proposing coding for new law in Minnesota Statutes, chapters 145; and 299A.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Clark introduced:

H. F. No. 2798, A bill for an act relating to animals; providing for a grant to study the levels of lead in domestic and farm animals; appropriating money.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Hanson, Garcia and Kinkel introduced:

H. F. No. 2799, A bill for an act relating to state government; reorganizing, consolidating, and restructuring state agencies and departments; creating the department of environmental protection



and conservation, the board of environmental review, and the office of assistance and public advocacy; transferring all powers and duties of the pollution control agency, the department of natural resources, the environmental quality board, the board of water and soil resources, the office of waste management, the harmful substances compensation board, the petroleum tank release compensation board, and the agricultural chemical response compensation board; transferring certain powers and duties of the departments of agriculture, health, public safety, trade and economic development, and transportation; authorizing rulemaking; amending Minnesota Statutes 1991 Supplement, section 15A.081, subdivision 1; proposing coding for new law as Minnesota Statutes, chapters 100A; and 100B.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Ogren; Anderson, R.; Vanasek; Lourey and Long introduced:

H. F. No. 2800, A bill for an act relating to health care; providing health coverage for low-income uninsured persons; establishing statewide and regional cost containment programs; reforming requirements for health insurance companies; establishing rural health system initiatives; creating quality of care and data collection programs; revising malpractice laws; creating a health care access account; imposing taxes; appropriating money; amending Minnesota Statutes 1990, sections 43A.316, by adding a subdivision; 62A.02, subdivisions 1, 2, 3, and by adding subdivisions; 62E.11, by adding a subdivision; 62H.01; 136A.1355, subdivisions 2 and 3; 145.682, subdivision 4; 256.936, subdivisions 1, 2, 3, 4, and by adding subdivisions; and 290.01, subdivision 19b; Minnesota Statutes 1991 Supplement, sections 62A.31, subdivision 1; 145.61, subdivision 5; 145.64, subdivision 2; 256.936, subdivision 5; and 297.02, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 16A; 62A; 62E; 62J; 136A; 137; 144; 144A; 256; 256B; 295; and 604; proposing coding for new law as Minnesota Statutes, chapter 62L; repealing Minnesota Statutes 1990, sections 62A.02, subdivisions 4 and 5.

The bill was read for the first time and referred to the Committee on Judiciary.

Greenfield, Rodosovich, Segal, Jefferson and Welle introduced:

H. F. No. 2801, A bill for an act relating to health care; providing health coverage for low-income uninsured persons; establishing statewide and regional cost containment programs; reforming requirements for health insurance companies; establishing rural health system initiatives; creating quality of care and data collection programs; revising malpractice laws; creating a health care

access account; imposing taxes; appropriating money; amending Minnesota Statutes 1990, sections 43A.316, by adding a subdivision; 62A.02, subdivisions 1, 2, 3, and by adding subdivisions; 62E.11, by adding a subdivision; 62H.01; 136A.1355, subdivisions 2 and 3; 145.682, subdivision 4; 256.936, subdivisions 1, 2, 3, 4, and by adding subdivisions; and 290.01, subdivision 19b; Minnesota Statutes 1991 Supplement, sections 62A.31, subdivision 1; 145.61, subdivision 5; 145.64, subdivision 2; 256.936, subdivision 5; and 297.02, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 16A; 62A; 62E; 62J; 136A; 137; 144; 144A; 256; 256B; 295; and 604; proposing coding for new law as Minnesota Statutes, chapter 62L; repealing Minnesota Statutes 1990, sections 62A.02, subdivisions 4 and 5.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Gruenes, Stanius, Dauner, Dempsey and Leppik introduced:

H. F. No. 2802, A bill for an act relating to health care; providing health coverage for low-income uninsured persons; establishing statewide and regional cost containment programs; reforming requirements for health insurance companies; establishing rural health system initiatives; creating quality of care and data collection programs; revising malpractice laws; creating a health care access account; imposing taxes; appropriating money; amending Minnesota Statutes 1990, sections 43A.316, by adding a subdivision; 62A.02, subdivisions 1, 2, 3, and by adding subdivisions; 62E.11, by adding a subdivision; 62H.01; 136A.1355, subdivisions 2 and 3; 145.682, subdivision 4; 256.936, subdivisions 1, 2, 3, 4, and by adding subdivisions; and 290.01, subdivision 19b; Minnesota Statutes 1991 Supplement, sections 62A.31, subdivision 1; 145.61, subdivision 5; 145.64, subdivision 2; 256.936, subdivision 5; and 297.02, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 16A; 62A; 62E; 62J; 136A; 137; 144; 144A; 256; 256B; 295; and 604; proposing coding for new law as Minnesota Statutes, chapter 62L; repealing Minnesota Statutes 1990, sections 62A.02, subdivisions 4 and 5.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Orfield, Kahn, Sarna, Greenfield and Knickerbocker introduced:

H. F. No. 2803, A bill for an act relating to retirement; the Minneapolis teachers retirement fund association; providing for purchase of allowable service credit for public employment outside the state of Minnesota; proposing coding for new law in Minnesota Statutes, chapter 354A.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Olson, E., introduced:

H. F. No. 2804, A bill for an act relating to agriculture; requiring labels for packaged wild rice offered for wholesale or retail sale in Minnesota to customers or consumers in Minnesota to include the place of origin and the method of harvesting; eliminating annual reporting requirements and modifying record keeping requirements; amending Minnesota Statutes 1990, section 30.49, subdivisions 1, 2, 3, and by adding subdivisions.

The bill was read for the first time and referred to the Committee on Agriculture.

Sviggum introduced:

H. F. No. 2805, A bill for an act relating to human services; regarding transferring and restructuring of work readiness; amending Minnesota Statutes 1990, sections 237.701, subdivision 1; 256D.01, subdivision 1; 256D.02, subdivision 12a; 256D.05, by adding a subdivision; 256D.051, subdivisions 3b, 13, and by adding a subdivision; 256D.09, subdivisions 2a and 3; 261.001, subdivision 1; 261.003; 261.063; and 383A.06, subdivision 1; Minnesota Statutes 1991 Supplement, sections 256D.03, subdivisions 2 and 2a; 256D.05, subdivisions 1 and 6; 256D.051, subdivisions 3 and 8; 256D.065; 256D.10; and 256D.101, subdivision 1; repealing Minnesota Statutes 1990, sections 256D.051, subdivisions 6b, 7, 9, 10, and 15; 256D.052; 256D.111; and 256D.113; Minnesota Statutes 1991 Supplement, sections 256D.051, subdivisions 1, 1a, 2, 3a, and 6; 256D.101, subdivision 3; and 261.062.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Sviggum introduced:

H. F. No. 2806, A bill for an act relating to taxation; sales tax; exempting municipal art organizations from sales tax on tickets and admissions; amending Minnesota Statutes 1990, section 297A.25, subdivision 24.

The bill was read for the first time and referred to the Committee on Taxes.

Jaros introduced:

H. F. No. 2807, A bill for an act relating to utilities; consumer protection; establishing the Minnesota utility consumers' nonprofit corporation; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 216E.

The bill was read for the first time and referred to the Committee on Commerce.

### MESSAGES FROM THE SENATE

The following message was received from the Senate:

Madam Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 797, 1608 and 1716.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 797, A bill for an act relating to traffic regulations; authorizing the use of studded tires by mail carriers; amending Minnesota Statutes 1990, section 169.72, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Transportation.

S. F. No. 1608, A bill for an act relating to occupational health and safety; requiring a study of video display terminal operators health risks.

The bill was read for the first time and referred to the Committee on Appropriations.

S. F. No. 1716, A bill for an act relating to Olmsted county; permitting the appointment of the recorder; authorizing the abolishment and reorganization of the office.

The bill was read for the first time.

Bishop moved that S. F. No. 1716 and H. F. No. 1853, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

### CONSENT CALENDAR

Welle moved that the bills on the Consent Calendar for today be continued. The motion prevailed.

### GENERAL ORDERS

Welle moved that the bills on General Orders for today be continued. The motion prevailed.

### MOTIONS AND RESOLUTIONS

Solberg moved that the names of Kinkel and Anderson, R., be added as authors on H. F. No. 1416. The motion prevailed.

Dawkins moved that the names of Jennings, Jacobs, Schreiber and Morrison be added as authors on H. F. No. 1488. The motion prevailed.

Wejzman moved that the name of Skoglund be added as an author on H. F. No. 1833. The motion prevailed.

Pugh moved that his name be stricken as an author on H. F. No. 1853. The motion prevailed.

Clark moved that the name of O'Connor be added as an author on H. F. No. 1934. The motion prevailed.

Johnson, A., moved that the name of Heir be added as an author on H. F. No. 2187. The motion prevailed.

Wejzman moved that the names of Jefferson, Blatz and Wagenius be added as authors on H. F. No. 2193. The motion prevailed.

Orenstein moved that his name be stricken as an author on H. F. No. 2226. The motion prevailed.

Winter moved that the name of Skoglund be added as an author on H. F. No. 2261. The motion prevailed.

Garcia moved that the names of Bettermann and Jaros be added as authors on H. F. No. 2443. The motion prevailed.

Nelson, K., moved that the name of Olsen, S., be added as an author on H. F. No. 2460. The motion prevailed.

Dauner moved that his name be stricken as an author on H. F. No. 2517. The motion prevailed.

Uphus moved that the name of Bertram be added as an author on H. F. No. 2535. The motion prevailed.

Bishop moved that the name of Vellenga be added as an author on H. F. No. 2538. The motion prevailed.

Bauerly moved that the name of Bertram be added as an author on H. F. No. 2549. The motion prevailed.

Anderson, R. H., moved that the names of Kalis; Olson, K., and Haukoos be added as authors on H. F. No. 2606. The motion prevailed.

Janezich moved that the name of Solberg be added as an author on H. F. No. 2622. The motion prevailed.

Hausman moved that the names of Lasley and Leppik be added as authors on H. F. No. 2631. The motion prevailed.

Seaberg moved that the name of Welker be added as an author on H. F. No. 2670. The motion prevailed.

Gutknecht moved that the names of McPherson and Haukoos be added as authors on H. F. No. 2681. The motion prevailed.

Bishop moved that the name of Kalis be added as an author on H. F. No. 2684. The motion prevailed.

Clark moved that the name of Koppendrayer be added as an author on H. F. No. 2704. The motion prevailed.

Hanson moved that the name of Janezich be added as chief author on H. F. No. 2711. The motion prevailed.

Sparby moved that the name of Jennings be added as an author on H. F. No. 2720. The motion prevailed.

Runbeck moved that the name of Hanson be added as an author on H. F. No. 2731. The motion prevailed.

Morrison moved that the names of Carlson and Krambeer be added as authors on H. F. No. 2736. The motion prevailed.

Sviggum moved that the name of Welker be added as an author on H. F. No. 2737. The motion prevailed.

Macklin moved that the names of Jennings and Henry be added as authors on H. F. No. 2745. The motion prevailed.

Bishop moved that the name of Orenstein be added as an author on H. F. No. 2750. The motion prevailed.

Leppik moved that the name of Krambeer be added as an author on H. F. No. 2763. The motion prevailed.

Olson, K., moved that the names of Lieder and Girard be added as authors on H. F. No. 2776. The motion prevailed.

McGuire moved that H. F. No. 2757 be recalled from the Committee on Judiciary and be re-referred to the Committee on Local Government and Metropolitan Affairs. The motion prevailed.

Morrison moved that H. F. No. 2736 be recalled from the Committee on Education and be re-referred to the Committee on Appropriations. The motion prevailed.

Welle moved that H. F. No. 2202 be recalled from the Committee on Education and be re-referred to the Committee on Appropriations. The motion prevailed.

Uphus moved that H. F. No. 2640 be recalled from the Committee on Regulated Industries and be re-referred to the Committee on Labor-Management Relations. The motion prevailed.

Newinski moved that H. F. No. 1725 be returned to its author. The motion prevailed.

#### ADJOURNMENT

Welle moved that when the House adjourns today it adjourn until 2:30 p.m., Thursday, March 12, 1992. The motion prevailed.

Welle moved that the House adjourn. The motion prevailed, and

the Speaker declared the House stands adjourned until 2:30 p.m., Thursday, March 12, 1992.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



STATE OF MINNESOTA

SEVENTY-SEVENTH SESSION—1992

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SEVENTY-SIXTH DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, MARCH 11, 1992

The Senate met on Wednesday, March 11, 1992, which was the Seventy-sixth Legislative Day of the Seventy-seventh Session of the Minnesota State Legislature. The House of Representatives did not meet on this date.



## STATE OF MINNESOTA

## SEVENTY-SEVENTH SESSION — 1992

## SEVENTY-SEVENTH DAY

SAINT PAUL, MINNESOTA, THURSDAY, MARCH 12, 1992

The House of Representatives convened at 2:30 p.m. and was called to order by Dee Long, Speaker of the House.

Prayer was offered by the Reverend Thomas Stuart, Way of the Cross Church, Blaine, Minnesota.

The roll was called and the following members were present:

Abrams	Frederick	Kinkel	Olsen, S.	Skoglund
Anderson, I.	Frerichs	Knickerbocker	Olsen, E.	Smith
Anderson, R.	Garcia	Koppendrayer	Olsen, K.	Solberg
Anderson, R. H.	Girard	Krambeer	Omann	Sparby
Battaglia	Goodno	Krinkie	Onnen	Stanius
Bauerly	Greenfield	Krueger	Orenstein	Steensma
Beard	Gruenes	Lasley	Orfield	Sviggum
Begich	Gutknecht	Leppik	Osthoff	Swenson
Bertram	Hartle	Lieder	Ostrom	Thompson
Bettermann	Hasskamp	Limmer	Ozment	Tompkins
Bishop	Haukoos	Lourey	Pauly	Trimble
Blatz	Hausman	Lynch	Pellow	Tunheim
Bodahl	Heir	Macklin	Pelowski	Uphus
Boo	Henry	Mariani	Peterson	Valento
Brown	Hufnagle	Marsh	Pugh	Vanasek
Carlson	Hugoson	McEachern	Reding	Vellenga
Carruthers	Jacobs	McGuire	Rest	Wagenius
Clark	Janezich	McPherson	Rice	Waltman
Cooper	Jaros	Milbert	Rodosovich	Weaver
Dauner	Jefferson	Morrison	Rukavina	Wejzman
Davids	Jennings	Munger	Runbeck	Welker
Dawkins	Johnson, A.	Murphy	Sarna	Welle
Dempsey	Johnson, R.	Nelson, K.	Schafer	Wenzel
Dille	Johnson, V.	Nelson, S.	Schreiber	Winter
Dorn	Kahn	Newinski	Seaberg	Spk. Long
Erhardt	Kalis	O'Connor	Segal	
Farrell	Kelso	Ogren	Simoneau	

A quorum was present.

Hanson was excused.

The Chief Clerk proceeded to read the Journals of the preceding days. Hasskamp moved that further reading of the Journals be

dispensed with and that the Journals be approved as corrected by the Chief Clerk. The motion prevailed.

#### REPORTS OF CHIEF CLERK

S. F. No. 1716 and H. F. No. 1853, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Bishop moved that the rules be so far suspended that S. F. No. 1716 be substituted for H. F. No. 1853 and that the House File be indefinitely postponed. The motion prevailed.

#### REPORTS OF STANDING COMMITTEES

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 779, A bill for an act relating to solid waste; regulating packaging and toxic materials in packaging and products; defining packaging; preempting local regulations relating to packaging; establishing a packaging advisory council; establishing a goal for reduction of packaging in the solid waste stream; requiring counties to ensure recycling of commonly used packaging materials; establishing a nonrefillable container deposit, return, and recycling system; requiring registration of and payment of a fee for use of priority toxic materials in products and packaging; requiring reduction of the use of toxic materials in packaging; requiring various reports and research; authorizing rulemaking; providing penalties; appropriating money; amending Minnesota Statutes 1990, sections 115A.03, by adding a subdivision; 115A.072, subdivision 2; 115A.12, subdivision 1, and by adding a subdivision; 115A.552, by adding a subdivision; 115A.558; 325E.042, subdivision 3; and 400.08, subdivision 5; Minnesota Statutes 1991 Supplement, section 115A.02; proposing coding for new law in Minnesota Statutes, chapter 115A.

Reported the same back with the following amendments:

Pages 3 to 6, delete sections 6 and 7

Page 7, line 30, delete everything after "division" and insert "on the packaging for which there appears a Uniform Pricing Code. If no Uniform Pricing Code appears on the packaging for a product, the fee applies to each package or packaged product based on the

product's smallest unit division that may be sold at retail without removing the actual product from the packaging."

Page 7, delete lines 31 to 36

Page 8, line 6, delete ", after consultation"

Page 8, line 7, delete "with the packaging advisory council,"

Page 8, line 24, delete "or"

Page 8, after line 24, insert:

"(6) that directly holds or contacts food, beverages, drugs, medical supplies, or cosmetic products, or that is intended to protect these products from being contaminated or otherwise adulterated, in compliance with the federal Food, Drug, and Cosmetic Act or the regulations of the federal Food and Drug Administration; or"

Page 8, lines 25, 32, and 35, delete "(6)" and insert "(7)"

Page 9, line 13, delete "5" and insert "4"

Page 9, line 23, delete "6" and insert "5"

Page 10, delete section 12

Renumber the sections in sequence

Correct internal references

Amend the title as follows:

Page 1, line 5, delete everything after "packaging;"

Page 1, delete line 9

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

Page 1, delete line 18

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 1416, A bill for an act relating to commerce; modifying the regulation of interest rate advertising; amending Minnesota Statutes 1990, section 45.025, subdivisions 1 and 2; repealing Minnesota Statutes 1990, section 45.025, subdivision 7.

Reported the same back with the following amendments:

Page 3, line 16, after “product” insert “is a note, bond, or debenture that”

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 1692, A bill for an act relating to retirement; public employees police and fire retirement fund local relief association consolidation accounts; providing for the establishment of a single local relief consolidation account for all consolidating relief associations located in the municipality; amending Minnesota Statutes 1990, section 353A.09, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [DULUTH POLICE AND FIRE PENSION PLANS; JOINT CONSOLIDATION ACCOUNT.]

(a) Notwithstanding any provision of Minnesota Statutes, section 353A.09, subdivision 1, to the contrary, if the Duluth fire department relief association consolidates with the public employees police and fire fund under Minnesota Statutes, chapter 353A, the executive director of the public employees retirement association shall establish a joint Duluth police and fire consolidation account for the consolidated Duluth police pension association and the consolidated Duluth fire department relief association.

(b) To that joint account must be credited the assets of the former Duluth police pension account and the assets of the former Duluth fire department relief association in existence upon the consolida-

tion of the Duluth fire department relief association, plus member contributions received after that date under Minnesota Statutes, section 353A.09, subdivision 4, municipal contributions received after that date under Minnesota Statutes, section 353A.09, subdivision 5, and a proportionate share of investment income earned after that date by the public employees police and fire consolidation accounts.

(c) From that joint account must be transferred or paid the following:

(1) amounts for transfer to the Minnesota postretirement investment fund under Minnesota Statutes, section 353A.09, subdivisions 2 and 3, and Minnesota Statutes, section 353.271, subdivision 2, representing the required reserves for persons covered by the joint consolidation account who elect benefits calculated under the public employees police and fire fund benefit plan;

(2) pension and benefit amounts for persons covered by the joint consolidation account who elected coverage under the applicable relief association benefit plan under Minnesota Statutes, section 353A.08;

(3) benefit amounts not payable from the Minnesota postretirement investment fund for persons covered by the joint consolidation account who elected benefits calculated under the public employees police and fire fund benefit plan; and

(4) any direct administrative expenses of the public employees police and fire fund related to the special joint account and a proportional share of the general administrative expenses of the public employees retirement association.

(d) The executive director of the public employees retirement association shall maintain separate personnel data records in connection with each consolidated relief association. The actuary retained by the legislative commission on pensions and retirement shall provide as part of the actuary's regular actuarial work for the consolidation accounts separate exhibits for each consolidated Duluth relief association.

(e) The executive director of the public employees retirement association shall adopt policies and procedures necessary for the administration of a joint consolidation account.

Sec. 2. [EFFECTIVE DATE; LOCAL APPROVAL.]

Section 1 is effective upon approval by the city council of the city of Duluth and compliance with Minnesota Statutes, section 645.021."

Delete the title and insert:

“A bill for an act relating to retirement; Duluth fire and police pension plans; authorizing a joint consolidation account in the event of the consolidation of the Duluth fire department relief association with the public employees police and fire fund.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 1744, A bill for an act relating to retirement; public employees retirement association; providing entitlement for optional annuities to certain surviving spouses of certain deceased disabilitants.

Reported the same back with the following amendments:

Page 2, after line 7, insert:

“Sec. 2. [STUDY OF COORDINATED MEMBER SURVIVOR COVERAGE GAPS.]

The legislative commission on pensions and retirement shall study the subject of gaps in survivor coverage that exist for members of public pension coordinated programs in Minnesota and shall report on the results of its study and any associated proposed legislation on or before January 4, 1993. The results of the study and any proposed legislation must be reported to the chairs of the governmental operations committee of the house of representatives, the governmental operations committee of the senate, the appropriations committee of the house of representatives, and the finance committee of the senate.”

Page 2, line 9, delete “Section 1 is” and insert “Sections 1 and 2 are”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after “disabilitants” insert “; mandating a study of coordinated program survivorship benefit gaps”



With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Anderson, I., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 1757, A bill for an act relating to the city of Minneapolis; regulating the use of the proceeds of the city sales and use tax; permitting their use for school readiness centers; amending Laws 1986, chapter 396, section 4, subdivision 3, as amended.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [NEIGHBORHOOD EARLY LEARNING CENTER.]

A neighborhood early learning center provides programs to promote the physical, emotional, and social development of all children residing in the city of Minneapolis from birth until ready to enter first grade. A center may include:

(1) way to grow early learning programs as defined in Minnesota Statutes, section 145.926;

(2) Head Start and other preschool programs;

(3) kindergarten and related programs; and

(4) other family support and child development activities which strengthen the capacity of a family to give birth to and successfully nurture healthy children.

A center shall be located as close as possible to the families and children it serves and may be housed in one structure or in structures in close proximity to each other. A center may be owned by any private or public entity other than the board established under section 2.

Sec. 2. [CREATION OF BOARD.]

Special school district No. 1 and the city of Minneapolis may establish a neighborhood early learning board under Minnesota Statutes, section 471.59, to create, manage, and operate neighborhood early learning centers on the terms and conditions agreed to by

the district and the city. The Minneapolis youth coordinating board established under Laws 1985, chapter 91, may serve as the neighborhood early learning board provided that the governing bodies of special school district No. 1 and the city of Minneapolis, together with the youth coordinating board, adopt resolutions designating the youth coordinating board as the neighborhood early learning board under the authority of this act. If an existing board ceases to function, and in the absence of a new joint powers agreement creating a new board, an interim joint powers board shall govern. The interim board shall consist of five members, two of whom shall be selected by resolution of the governing body of special school district No. 1, two of whom shall be selected by resolution of the city council of the city of Minneapolis, and one of whom shall be selected by the mayor with the approval of the city council. Persons selected to serve may be elected officials from their respective bodies. Any interim board shall elect its own officers and shall serve until a new joint powers agreement establishes a new board.

### Sec. 3. [POWERS.]

The neighborhood early learning board is authorized to:

(1) manage and operate and acquire leasehold interests in neighborhood early learning centers, and all leasehold interests in centers shall be vested in the board or in another governmental unit as may be designated by the board;

(2) employ permanent or temporary employees as it may require, and determine their qualifications, duties, and compensation;

(3) use the services of the participating local public bodies and of other political subdivisions or public bodies whose jurisdiction includes all or a part of the area of the city of Minneapolis;

(4) sublease space or assign any of its leasehold interests to any public or private entity in connection with the programs described in section 1;

(5) develop criteria and request proposals for the provision of services described in section 1, clauses (2) and (3), by private entities which propose to provide these services to less than 100 children at any one location, and provide financial assistance to those private entities for the costs of managing and operating a facility and providing these services;

(6) receive funds or other assistance from both private and public sources; and

(7) take other action as it deems necessary or useful to carry out its responsibilities under this act.

The board shall not exercise any control over the content or curriculum of Head Start or any programs operated by special school district No. 1. The board shall expend a portion of the operating funds received by it from the city and the school district on the services provided under clause (5).

Sec. 4. [SUPPORT BY PARTICIPANTS AND OTHER PUBLIC BODIES.]

The city of Minneapolis and special school district No. 1 are authorized to appropriate money to the board, to the Minneapolis community development agency, or to each other, for use in connection with neighborhood early learning centers and facilities described in section 3, clause (5), and to undertake activities in support of the purposes of the board, including the acquisition, construction, equipping, and improving of neighborhood early learning centers. Any appropriations may be subject to any conditions that the appropriating entity may establish. Other political subdivisions and public bodies whose jurisdictions include all or a part of the city of Minneapolis, including the Minneapolis community development agency, are authorized to exercise any of their powers for the purposes for which the board may act and to acquire, construct, provide facilities for, and equip neighborhood readiness centers on behalf of the city or special school district No. 1. Any appropriations may be subject to the conditions that the appropriating entity may establish. Notwithstanding any limitations in Laws 1986, chapter 396, the city of Minneapolis may appropriate the proceeds of sales and use taxes collected or received by the city under Laws 1986, chapter 396, section 4, to the board or otherwise expend such funds in support of the board's purposes. Neighborhood early learning centers shall be an authorized use of such tax revenues under Laws 1986, chapter 396.

Sec. 5. [EFFECTIVE DATE.]

This act is effective the day after its approval by the governing bodies of special school district No. 1 and the city of Minneapolis and compliance with Minnesota Statutes, section 645.021, subdivision 3."

Delete the title and insert:

"A bill for an act relating to local government; authorizing the creation of a neighborhood early learning board in the city of Minneapolis and special school district No. 1; authorizing the acquisition, betterment, and operation of neighborhood early learning centers."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Education.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 1761, A bill for an act relating to alcoholic beverages; municipal liquor stores; specifying the conditions under which a municipality is required to hold a public hearing on the question of continued operation of a municipal liquor store; amending Minnesota Statutes 1990, section 340A.602.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 1776, A bill for an act relating to education; allowing perennial migrant workers resident tuition status; amending Minnesota Statutes 1991 Supplement, section 135A.03, subdivision 7.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1991 Supplement, section 135A.03, subdivision 7, is amended to read:

Subd. 7. [RESIDENCY RESTRICTIONS.] In calculating student enrollment for appropriations, only the following may be included:

(1) students who resided in the state for at least one calendar year prior to applying for admission;

(2) Minnesota residents who can demonstrate that they were temporarily absent from the state without establishing residency elsewhere; and

(3) residents of other states who are attending a Minnesota institution under a tuition reciprocity agreement;

(4) students who have been perennial migrant farmworkers in Minnesota as defined in Code of Federal Regulations, title 20, section 633.104, over a period of at least two years immediately before admission or readmission to a Minnesota public post-secondary institution, or students who are dependents of such migrant farmworkers; and

(5) students recognized as refugees by the United States Immigration and Naturalization Service.

If a public post-secondary institution counts a student for appropriations under clause (4) or (5), it may only charge the student resident tuition rates."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Osthoff from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 1818, A bill for an act relating to local government; authorizing mail balloting for certain municipalities; amending Minnesota Statutes 1990, section 204B.45, subdivisions 1 and 2.

Reported the same back with the following amendments:

Page 2, after line 6, insert:

"Sec. 3. Minnesota Statutes 1990, section 365.51, subdivision 1, is amended to read:

Subdivision 1. [WHEN; BAD WEATHER.] A town's annual town meeting must be held on the second Tuesday of March at the place named by the last annual town meeting. If no place was named then, the meeting must be held at the place named by the town board. The place may be outside the town if the place is within five miles of a town boundary. If there is bad weather on the day of the meeting and election, the town board shall set the meeting and election for the third Tuesday in March. Not less than ten days prior to the annual meeting and election, the town board shall, by resolution, direct the clerk to give notice that in case of bad weather the meeting and election will be held on the third Tuesday in March. If there is bad weather on the third Tuesday in March, the town board shall set another date for the meeting and election within 30 days of the third Tuesday in March. If the meeting and election are postponed, the

notice requirements in subdivision 2 shall apply to the postponed meeting and election.

The balloting of the town election must be concluded on the same day the election is commenced.”

Amend the title as follows:

Page 1, line 4, delete “section” and insert “sections”

Page 1, line 5, after “2” insert “; and 365.51, subdivision 1”

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Osthoff from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 1843, A bill for an act relating to elections; prohibiting transfer of certain money from a campaign committee that has received a public subsidy; proposing coding for new law in Minnesota Statutes, chapter 10A.

Reported the same back with the following amendments:

Page 1, line 9, after “received” insert “within the past four years”

Page 1, line 10, delete “by”

Page 1, delete line 11

Page 1, line 12, delete “the campaign” and insert “has issued receipts qualifying a taxpayer for the political contribution refund”

With the recommendation that when so amended the bill pass.

The report was adopted.

Osthoff from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 1860, A bill for an act relating to counties; permitting county offices to be filled by special election; amending Minnesota Statutes 1990, sections 375.08; and 375.101, subdivision 1.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Segal from the Committee on Economic Development to which was referred:

H. F. No. 1875, A bill for an act relating to regional development commissions; permitting annual audits by a certified public accountant; amending Minnesota Statutes 1990, section 462.396, subdivision 4.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 1892, A bill for an act relating to commerce; regulating negotiable instruments; adopting the revised article 3 of the Uniform Commercial Code with conforming amendments to articles 1 and 4 approved by the American Law Institute and the National Conference of Commissioners on Uniform State Laws.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 1934, A bill for an act relating to housing; modifying requirements for lead education, assessment, screening, and abatement; transferring rule authority from the commissioner of the pollution control agency to the commissioner of health; establishing

a lead abatement account in the housing development fund; creating a lead abatement and training program; establishing a lead abatement program; creating a lead fund; establishing a lead abatement fee on petroleum storage tanks; establishing a paint tax; providing penalties; amending Minnesota Statutes 1990, sections 144.871, subdivisions 3, 6, 8, and by adding subdivisions; 144.872, subdivisions 1, 2, 3, 4, and by adding a subdivision; 144.873, subdivisions 2 and 3; 144.874, subdivision 4; 144.876; and 144.878, subdivision 2, and by adding a subdivision; 462A.21, by adding a subdivision; Minnesota Statutes 1991 Supplement, sections 144.871, subdivision 2; 144.873, subdivision 1; 144.874, subdivisions 1, 2, 3, and 12; 326.87, subdivision 1; and 462A.05, subdivision 15c; proposing coding for new law in Minnesota Statutes, chapters 115C; and 268; proposing coding for new law as Minnesota Statutes, chapter 297E; repealing Minnesota Statutes 1990, sections 116.51; 116.52; 116.53, subdivision 1; and 144.878, subdivision 4.

Reported the same back with the following amendments:

Page 21, line 28, after “which” insert “the first \$250,000 must be used to fund the department of health lead program and”

Page 21, line 29, after “percent” insert “of the remainder”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 1943, A bill for an act relating to utilities; providing for protection of certain nonpublic data submitted to public utilities commission by telephone companies; clarifying authority of commission to reinstate original rate for a telephone service subject to emerging competition on finding proposed rate is below incremental cost or is not just and reasonable; requiring commission to make final decision within six months on rate increase of telephone service subject to effective competition; amending Minnesota Statutes 1990, section 237.60, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 237.

Reported the same back with the following amendments:

Page 1, after line 14, insert:



"Section 1. Minnesota Statutes 1991 Supplement, section 216D.01, subdivision 5, is amended to read:

Subd. 5. [EXCAVATION.] "Excavation" means an activity that moves, removes, or otherwise disturbs the soil by use of a motor, engine, hydraulic or pneumatically-powered tool, or machine-powered equipment of any kind, or by explosives. Excavation does not include:

(1) the repair or installation of agricultural drainage tile for which notice has been given as provided by section 116I.07, subdivision 2;

(2) the extraction of minerals;

(3) the opening of a grave in a cemetery;

(4) normal maintenance of roads and streets if the maintenance does not change the original grade and does not involve the road ditch;

(5) plowing, cultivating, planting, harvesting, and similar operations in connection with growing crops, trees, and shrubs, unless any of these activities disturbs the soil to a depth of 18 inches or more; or

(6) landscaping or gardening unless one of the activities disturbs the soil to a depth of 12 inches or more; or

~~(7) installation of real estate "For Sale" signs, unless the installation disturbs the soil to a depth of 12 inches or more."~~

Page 1, line 15, delete "Section 1." and insert "Sec. 2."

Page 1, delete lines 17 to 24, and insert:

"Subdivision 1. [DISCUSSION OF INFORMATION SUBJECT TO A PROTECTIVE ORDER.] In any meeting of the commission during which information that is subject to a protective order is discussed, the commission shall employ the procedures of section 14.60 to close to all persons who are not authorized to obtain the information under the protective order that portion of the meeting during which the information will be discussed and take other appropriate measures to ensure that the data is not disclosed to persons who are not authorized to obtain the information under the protective order.

Subd. 2. [TRADE SECRET INFORMATION; EXTRAORDINARY PROTECTION.] In a docket before the commission, on petition by a telephone company, the commission may grant extraordinary protection from disclosure of specific trade secret information, as defined in section 13.37. In deciding whether to grant a petition for

extraordinary protection, the commission shall balance the effect of limiting disclosure of the information on the effective presentation of issues to the commission and the risk of harm to the telephone company from disclosure of the information to its competitors. The commission may take into account that an extraordinary protective order was in place for specific information when determining the evidentiary weight to be given the information during resolution of issues raised in the docket.

For the purposes of this subdivision, "extraordinary protection" means a protective order that limits disclosure of information to the commission, the department of public service, the department of administration, and the residential utilities division of the attorney general's office."

Page 1, line 25, delete "2" and insert "3"

Page 2, lines 3, 7, and 8, strike "proposed" and insert "new"

Page 2, line 5, before "reinstate" insert "prospectively"

Page 2, line 26, before the period insert " , except that if a contested case hearing before an administrative law judge is required the commission shall make a final decision within ten months of the date the price change was filed"

Page 3, lines 13 to 18, delete the new language and insert "A telephone company may discontinue a telephone service that is subject to emerging competition, as long as the discontinuance is effective for that service throughout the state, effective 30 days after notice to the commission and affected customers, unless the commission, prior to the effective date of the discontinuance, orders a hearing on it. If the commission orders a hearing, the commission shall make a final determination on the discontinuance within 180 days of the date that notice of the discontinuance was filed with the commission, except that if a contested case hearing before an administrative law judge is required the commission shall make a final decision within ten months of the date the notice of discontinuance was filed."

Page 4, line 7, delete "3" and insert "4"

Page 4, line 22, after the period insert "A telephone company authorized to file a variable cost study under section 237.60, subdivision 2, may show, at the request of the commission, that its promotions are above variable cost, including the amortized cost of the program, instead of incremental cost."

Amend the title as follows:

Page 1, line 2, after the semicolon insert "defining the term excavation;"

Page 1, line 9, delete "six months" and insert "180 days"

Page 1, line 10, before the semicolon insert ", when contested case hearing is not held" and after the semicolon insert "providing for telephone company promotion activities;"

Page 1, line 12, after the semicolon insert "Minnesota Statutes 1991 Supplement, section 216D.01, subdivision 5;"

With the recommendation that when so amended the bill pass.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 1969, A bill for an act relating to education; providing for the location of a school within a retail and entertainment complex; amending Minnesota Statutes 1990, section 340A.509.

Reported the same back with the following amendments:

Page 1, delete lines 12 to 15 and insert:

"Subd. 2. No city charter and no local ordinance may prohibit retail sale of alcoholic beverages by reason of the fact that an on-sale establishment is located within 1,000 feet of a school existing within a retail and entertainment complex located within the Mall of America and operated by more than one school district or operated by one school district as agent for one or more other school districts.

Subd. 3. Any previously adopted city charter or ordinance contrary to the provisions of subdivision 2 herein shall only be invalid to the extent it violates subdivision 2 herein."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Anderson, I., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 1971, A bill for an act relating to counties; providing for a tax levy for land management systems; amending Minnesota Statutes 1990, section 381.12, subdivision 2.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 1988, A bill for an act relating to intoxicating liquor; authorizing Lake township in Roseau county to establish, own, and operate an exclusive liquor store.

Reported the same back with the following amendments:

Page 1, line 7, delete the comma and insert “;

(1) the Roseau county board may issue an off-sale retail intoxicating liquor license to the town board of Lake township in the county, and may set the fee for the license; and

(2)”

Page 1, line 8, delete “in Roseau county”

Page 1, line 10, after “liquor” insert “, if the exclusive liquor store is operated under a license issued by Roseau county”

Page 1, line 14, delete “holders of”

Page 1, line 17, delete everything after “section” and insert a period

Page 1, delete lines 18 to 20

Page 1, delete lines 22 to 24 and insert:

“Section 1 is effective the day following final enactment.”

With the recommendation that when so amended the bill pass.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 2042, A bill for an act relating to education; abolishing the higher education board; amending Minnesota Statutes 1991 Supplement, sections 15A.081, subdivision 7b; and 179A.10, subdivision 2; repealing Minnesota Statutes 1991 Supplement, sections 136E.01; 136E.02; 136E.03; 136E.04; and 136E.05; and Laws 1991, chapter 356, article 9, sections 8, 9, 10, 11, 12, 13, and 14.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 2043, A bill for an act relating to commerce; consumer protection; regulating the sale of dogs and cats by animal distributors; requiring the registration of distributors; prescribing penalties; providing remedies; creating a commission on commercial animal facilities and practices; proposing coding for new law in Minnesota Statutes, chapter 325F.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [325F.79] [DEFINITIONS.]

For purposes of sections 1 to 3, the following definitions apply:

(a) “Animal” means a dog, wholly or in part of the species *Canis familiaris*, or a cat, wholly or in part of the species *Felis domesticus*.

(b) “Pet dealer” means any person, firm, partnership, corporation, or association, including breeders, that is required to collect sales tax for the sale of animals to the public. Pet dealer does not include humane societies, nonprofit organizations performing the functions of humane societies, or animal control agencies.

c) "Breeder" means any person, firm, partnership, corporation, or association that breeds animals for direct or indirect sale to the public.

(d) "Broker" means a person, firm, partnership, corporation, or association that purchases animals for resale to other brokers or pet dealers.

(e) "Health problem" means any disease, illness, or congenital or hereditary condition that is apparent at the time of sale, or which should have been apparent to the seller from the veterinary history of the animal.

(f) "Veterinarian" means a licensed veterinarian in the state of Minnesota.

## Sec. 2. [325F.791] [SALES OF DOGS AND CATS.]

Subdivision 1. [DISCLOSURE.] Every pet dealer shall deliver to each retail purchaser of an animal written disclosure as follows:

(a) The name, address, and USDA license number of the breeder and any broker who has had possession of the animal; the date of the animal's birth; the date the pet dealer received the animal; the breed, sex, color, and identifying marks of the animal; the individual identifying tag, tattoo, or collar number; the name and registration number of the sire and dam and the litter number; and a record of inoculations, worming treatments, and medication received by the animal while in the possession of the pet dealer.

(b) A statement signed by the pet dealer that the animal has no known health problems, or a statement signed by the pet dealer disclosing any known health problem and a statement signed by a veterinarian that recommends necessary treatment.

The disclosure shall be made part of the statement of consumer rights set forth in subdivision 10. The disclosure required in paragraph (a) need not be made for mixed breed animals if the information is not available and cannot be determined by the pet dealer.

Subd. 2. [RECORDS.] The pet dealer shall maintain, for one year, a copy of the statement of consumer rights delivered to the purchaser.

Subd. 3. [REGISTRATION.] A pet dealer who represents an animal as eligible for registration with an animal pedigree organization shall provide the retail purchaser, within 90 days of sale, the documents necessary for registration. If these documents are not received from the pet dealer, the purchaser may retain the animal and receive a refund of 50 percent of the purchase price, or return the

animal, along with all documentation previously provided, and receive a full refund. The pet dealer shall not be responsible for delays in registration which are the result of persons other than the pet dealer.

Subd. 4. [HEALTH.] No animal may be offered for sale by a broker or pet dealer to a retail purchaser until the animal has been examined by a veterinarian. The veterinarian used by the broker shall not be the same veterinarian used by the pet dealer. If the pet dealer is not the breeder of the animal, each animal shall be examined within two days after receipt of the animal by a pet dealer and within four days of delivery of the animal to the purchaser by the pet dealer. The cost of the examination shall be paid by the pet dealer.

Subd. 5. [RESPONSIBILITIES OF PURCHASER.] To obtain the remedies provided in subdivision 6, the purchaser shall with respect to an ill animal:

(a) Notify the pet dealer, within two business days, of the diagnosis by a veterinarian of a health problem and provide the pet dealer with the name and telephone number of the veterinarian and a copy of the veterinarian's report on the animal.

(b) If the purchaser wishes to receive a full refund for the animal, return the animal no later than two business days after receipt of a written statement from a veterinarian indicating the animal is unfit due to a health problem.

With respect to a dead animal the purchaser must provide the pet dealer a written statement from a veterinarian, indicating the animal died from a health problem which existed on or before the receipt of the animal by the purchaser.

Subd. 6. [RIGHTS OF THE PURCHASER.] If, within ten days after receipt of the animal by the purchaser, a veterinarian states, in writing, that the animal is ill due to a disease which existed in the animal at the time of delivery, or if within one year after receipt of the animal by the purchaser, a veterinarian states, in writing, that the animal has died or is ill due to a hereditary or congenital defect, or is not of the breed type represented, the animal shall be considered to have been unfit for sale at the time of sale.

In the event an animal dies due to a disease which existed in the animal at the time of delivery to the purchaser, the pet dealer shall provide the purchaser with one of the following remedies selected by the purchaser: receive an animal, of equal value, if available, and reimbursement for reasonable veterinary fees, such reimbursements not to exceed the original purchase price of the animal; or receive a refund of the full purchase price.

In the event of illness, which existed at the the time of delivery to the purchaser, the pet dealer shall provide the purchaser with one of the following remedies selected by the purchaser: return the animal to the pet dealer for a refund of the full purchase price; exchange the animal for an animal of the purchaser's choice of equivalent value, providing a replacement is available; or retain the animal, and receive reimbursement for reasonable veterinary fees, such reimbursements not to exceed the original purchase price of the animal.

The price of veterinary service shall be deemed reasonable if the service is appropriate for the diagnosis and treatment of the health problem and the price of the service is comparable to that of similar service rendered by other veterinarians in proximity to the treating veterinarian.

Subd. 7. [RIGHTS OF PET DEALER.] No refund, replacement, or reimbursement of veterinary fees shall be required if any one or more of the following conditions exist:

(a) The health problem or death resulted from maltreatment, neglect, or exposure to disease while in the possession of the purchaser, or from an injury sustained subsequent to receipt of the animal by the purchaser.

(b) A veterinarian's statement was provided to the purchaser pursuant to subdivision 1, paragraph (b), which disclosed the health problem for which the purchaser seeks to return the animal.

(c) The purchaser fails to carry out recommended treatment prescribed by the examining veterinarian, pursuant to subdivision 1, paragraph (b).

Subd. 8. [CONTEST.] (a) In the event that a pet dealer wishes to contest a demand for the relief specified in subdivision 3 or 6, the pet dealer may require the purchaser to produce the animal for examination or autopsy by a veterinarian designated by the pet dealer. The pet dealer shall pay the initial cost of this examination but shall have the right of recovery against the purchaser unless the pet dealer is obligated to provide a remedy under subdivision 6.

(b) If the pet dealer does not provide the relief selected by the purchaser set forth in subdivisions 3 or 6, the purchaser may initiate a court action.

(c) The prevailing party in the court action shall have the right to recover costs and reasonable attorney's fees not to exceed \$500.

Subd. 9. [POSTED NOTICE.] Every pet dealer shall post in a prominent location of the facility, a notice, in 48-point bold-face type, containing the following language:



"Information on all dogs and cats is available. You are entitled to a statement of consumer rights. Make sure you receive this statement at the time of purchase."

Subd. 10. [STATEMENT OF CONSUMER RIGHTS.] Every pet dealer shall provide the retail purchaser a written notice of rights, which shall be signed by the purchaser, acknowledging that the purchaser has reviewed the notice and signed by the pet dealer certifying the accuracy of the information contained in it. A signed copy shall be retained by the pet dealer and one given to the purchaser. The notice shall be in 16-point bold-face type and shall state as follows:

"A STATEMENT OF MINNESOTA LAW GOVERNING  
THE SALE OF DOGS AND CATS

The sale of dogs and cats is subject to consumer protection regulations. Minnesota law also provides safeguards to protect pet dealers and animal purchasers. Attached is a copy of Minnesota Statutes, section 325F.79. Contained within this law is a statement of your consumer rights."

The statement of consumer rights shall also contain or have attached the disclosures required under subdivision 1.

Subd. 11. [LIMITATION.] Nothing in this subdivision shall limit the rights or remedies which are otherwise available to a purchaser under any other law. Any agreement or contract by a purchaser to waive any rights under this chapter shall be null and void and shall be unenforceable.

Sec. 3. [325F.792] [ADDITIONAL PENALTIES.]

Subdivision 1. [CRIMINAL PENALTY.] A violation of any United States Department of Agriculture statute or regulation covering animal breeders or groomers, pet dealers, or the transportation of dogs or cats is a misdemeanor.

Subd. 2. [CIVIL PENALTY.] (a) A pet dealer who:

(1) sells an animal without delivery of the disclosure required in section 2, subdivision 1;

(2) fails to maintain the records required by section 2, subdivision 2;

(3) fails to provide registration papers as provided in section 2, subdivision 3;

(4) fails to make or provide payment for the examinations required by section 2, subdivision 4;

(5) fails to post the notice required by section 2, subdivision 9; or

(6) fails to provide the statement of consumer rights required by section 2, subdivision 10, is subject to a civil fine of up to \$1,000 per violation.

(b) Civil fines collected under this subdivision shall be collected by the court and turned over to the prosecuting attorney."

Delete the title and insert:

"A bill for an act relating to commerce; consumer protection; regulating the sale of dogs and cats by pet dealers; prescribing penalties; providing remedies; proposing coding for new law in Minnesota Statutes, chapter 325F."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on General Legislation, Veterans Affairs and Gaming.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 2046, A bill for an act relating to commerce; motor vehicle lienholders; requiring notice to certain secured creditors before the vehicle is sold; amending Minnesota Statutes 1990, section 514.20.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Osthoff from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 2069, A bill for an act relating to the military; appropriating money for a day care center at Camp Ripley.

Reported the same back with the following amendments:

Page 1, line 6, delete "\$50,000" and insert "\$....."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 2103, A bill for an act relating to alcoholic beverages; authorizing purchase from a retailer and resale by a person holding a permit from the commissioner of public safety as a resale exporter; amending Minnesota Statutes 1990, section 340A.505.

Reported the same back with the following amendments:

Page 1, line 21, delete "resaler" and insert "resale"

Page 2, line 3, after "The" insert "annual" and delete "\$25" and insert "\$100" and delete "A"

Page 2, delete lines 4 and 5

Page 2, after line 14, insert:

"Notwithstanding any provision of chapter 297A, purchase of alcoholic beverages by a resale exporter for export under this subdivision is subject to the tax imposed under section 297A.02, subdivision 3."

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 2106, A bill for an act relating to financial institutions; currency exchanges; imposing distance limitations and operating restrictions; requiring local approval of licenses; amending Minnesota Statutes 1990, sections 53A.02; 53A.04; and 53A.05.

Reported the same back with the following amendments:

Page 2, line 3, delete everything after “(a)” and insert “Within 30 days after the receipt of a complete application, the commissioner shall deny the application or”

Page 2, line 4, delete everything before “submit”

Page 2, line 12, delete “met to” and insert “approved or disapproved”

Page 2, line 13, delete “consider”

Page 2, line 14, after “approve” insert “or disapprove”

Page 2, line 15, delete “concurrence” and insert “decision”

Page 2, line 16, after the period insert “The governing body shall have the sole responsibility for its decision. The state shall have no responsibility for that decision.”

Page 2, line 17, strike everything after “(b)”

Page 2, line 18, strike everything before “If”

Page 2, line 24, before the period insert “; provided that if the denial is based upon the refusal of the governing body to concur the governing body must afford the applicant a hearing. The applicant shall have no right to the hearing provided for in this section if the denial is based upon the governing body’s refusal to concur but shall have a hearing before the governing body”

Page 2, after line 26, insert:

“(d) The state shall have no responsibility for the action of the governing body.”

With the recommendation that when so amended the bill pass.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 2126, A bill for an act relating to education; requiring faculty, staff, and students in post-secondary institutions to participate in violence prevention and sexual harassment training programs; requiring recommendations from the higher education coordinating board about curricula, based upon a survey of graduates and current course offerings; authorizing grants for multidisci-

plinary training programs; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 135A.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2137, A bill for an act relating to retirement; the Minnesota state retirement system and the public employees retirement association; making various changes to administration, benefits, and investment practices; amending Minnesota Statutes 1990, sections 352.01, subdivision 2b; 352.029, subdivisions 1 and 2; 352.113, subdivisions 1, 3, 4, and 10; 352.12, subdivision 1; 352.22, subdivision 3; 352D.12; 353.01, subdivision 28; 353.27, subdivision 10; 353.29, subdivision 7; 353.33, subdivisions 1, 6, 6a, and 6b; 353.34, subdivision 2; 353.65, subdivision 1; 353.656, subdivision 5; 353.659; 353.68, subdivision 4; 353A.02, subdivisions 12 and 28; 353A.04, subdivision 2; 353A.05, subdivision 3; 353A.07, subdivision 3; 353A.08, subdivision 6, and by adding a subdivision; 353A.09, subdivision 1; 353A.10, subdivision 4, and by adding a subdivision; 356.30, subdivision 1; 356.302, subdivision 6; 356.303, subdivision 3; 490.124, subdivision 11; Minnesota Statutes 1991 Supplement, sections 353.01, subdivisions 2b, 16, and 20; 353.27, subdivisions 12 and 12b; 353.31, subdivision 1; 353.32, subdivision 1a; 353.64, subdivision 5a; 353.657, subdivisions 1, 2, and 2a; 353A.03; 353A.06; 353D.01, subdivision 2; 353D.02; 353D.03; 353D.04, subdivision 1; 353D.05, subdivisions 2 and 3; 353D.07, subdivisions 2 and 3; 353D.12, subdivision 1; and Laws 1990, chapter 570, article 8, section 14, subdivision 1, as amended; proposing coding for new law in Minnesota Statutes, chapter 353; repealing Minnesota Statutes 1990, sections 352.029, subdivision 4; and 353.656, subdivision 7.

Reported the same back with the following amendments:

Page 11, line 21, after "in" insert "the year"

Page 23, line 14, after "lump-sum" insert "refund" and after "payment" insert "under section 353.32, subdivision 1, if provided for in a marriage dissolution decree"

Page 23, delete lines 15 and 16 and insert "even if required by the decree."

Page 24, line 2, delete "of" and insert "or"

Page 24, line 3, after “lump-sum” insert “refund” and after “payment” insert “under subdivision 1, if provided for in a marriage dissolution decree”

Page 28, line 9, after “lump-sum” insert “refund” and after “payment” insert “under section 353.32, subdivision 1, if provided for in a marriage dissolution decree”

Page 28, line 22, delete the second “the” and insert “that member’s”

Page 29, line 14, after “lump-sum” insert “refund” and after “payment” insert “under section 353.32, subdivision 1, if provided for in a marriage dissolution decree”

Page 31, delete section 26

Page 33, line 33, after “commission,” insert “the executive director of the public employees retirement association,”

Page 51, after line 25, insert:

“Sec. 49. Laws 1991, chapter 269, article 2, section 13, is amended to read:

Sec. 13. [EFFECTIVE DATE.]

(a) Sections 1 to 11 are effective the day following final enactment.

Section 12 is effective for the former relief associations of the city of Chisholm the day following approval by the Chisholm city council and upon compliance with Minnesota Statutes, section 645.021. Section 12 is effective for the former relief associations of the city of Hibbing the day following approval by the Hibbing city council and upon compliance with Minnesota Statutes, section 645.021.

(b) The elimination of the surviving spouse benefit discontinuation requirement provided for in sections 1 to 11 also applies to any surviving spouse receiving a surviving spouse benefit on the date of final enactment of the act and, to the potential surviving spouses of active, deferred or retired plan members who have that status on the effective date of the change. ~~Sections 1 to 11 do not apply to, and to persons who formerly were receiving surviving spouse benefits and had those benefits discontinued by virtue of a remarriage and may not be considered to. Sections 1 to 11 do not authorize the payment of any retroactive survivor benefit amounts to any person or to an estate, except that a person who was formerly receiving surviving spouse benefits and who had those benefits discontinued by virtue of remarriage prior to July 1, 1991, is eligible to receive benefit amount payments retroactive to July 1, 1991, or 12 months prior to~~

the month in which application for benefits is received in the office of the association, whichever is sooner."

Page 51, line 36, delete "section" and insert "sections" and delete "is" and insert "and 353.71, subdivision 3, are"

Page 52, line 3, delete "51" and insert "48, 50, and 51"

Page 52, line 4, after the second period insert "Section 49 is effective July 1, 1992."

Renumber the sections in sequence

Correct internal references

Amend the title as follows:

Page 1, line 13, delete "subdivisions" and insert "subdivision"

Page 1, line 14, delete "and 28"

Page 1, line 27, delete the second "and"

Page 1, line 29, after the semicolon insert "Laws 1991, chapter 269, article 2, section 13,"

Page 1, line 31, delete "and"

Page 1, line 32, after "7" insert "; and 353.71, subdivision 3"

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, I., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2180, A bill for an act relating to counties; providing for the place of residence of commissioners in certain years; amending Minnesota Statutes 1991 Supplement, section 375.025, subdivision 4.

Reported the same back with the following amendments:

Page 1, after line 6, insert:

“Section 1. [15.0599]. [REPRESENTATIVES OF SPECIFIC DISTRICTS.]

Notwithstanding any law to the contrary, a person who is appointed to a multimember executive branch agency or elected to the University of Minnesota board of regents as a representative of a specific congressional district, and who is no longer a resident of the district due to redrawing of its boundaries, may continue to serve on the agency or board until the person's term expires. The appointing authority must assure compliance with the law requiring representation from each congressional district as soon as a vacancy on the agency or board makes compliance possible.”

Renumber the sections in sequence

Delete the title and insert:

“A bill for an act relating to public bodies; providing for the place of residence of members; amending Minnesota Statutes 1991 Supplement, section 375.025, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 15.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on General Legislation, Veterans Affairs and Gaming.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 2185, A bill for an act relating to labor; protecting interests of employees following railroad acquisitions; imposing a penalty; amending Minnesota Statutes 1990, sections 222.86, subdivision 3; 222.87, subdivision 3, and by adding subdivisions; and 222.88.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2186, A bill for an act relating to retirement; St. Paul fire department relief association; authorizing the payment of benefits to surviving former spouses of certain members.



Reported the same back with the following amendments:

Page 1, line 7, before "AUTHORIZATION" insert "ST. PAUL FIRE DEPARTMENT RELIEF ASSOCIATION;"

Page 1, line 9, before "St. Paul" insert "deceased former"

Page 1, line 12, delete "his"

Page 1, line 14, before "Minnesota" insert "any provision of"

Page 1, line 15, before "or" insert "Laws 1955, chapter 375, section 25, as amended,"

Page 1, line 16, after "bylaws" insert "to the contrary" and before "St. Paul" insert "former spouse described in subdivision 1 is entitled, upon application, to surviving spouse benefits from the" and delete "shall"

Page 1, line 17, delete "pay benefits"

Page 1, line 18, delete "to the former spouse described in subdivision 1"

Page 1, line 19, after "payable" insert "to the surviving spouse" and delete the comma and insert a period

Page 1, line 20, before "in" insert "The application must be filed" and before the second "by" insert "and must be executed"

Page 1, line 22, after "DATE" insert "; LOCAL APPROVAL"

Page 1, delete line 23 and insert "Section 1 is effective upon approval by the city council of the city of St. Paul and compliance with Minnesota Statutes, section 645.021, subdivision 3."

With the recommendation that when so amended the bill pass.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 2187, A bill for an act relating to intoxicating liquor; authorizing Blaine to issue an on-sale license for the National Sports Center.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Segal from the Committee on Economic Development to which was referred:

H. F. No. 2189, A bill for an act relating to the legislature; requiring committees of the legislature to consider the effect of proposed legislation on the state's science and technology policy; proposing coding for new law in Minnesota Statutes, chapter 3.

Reported the same back with the following amendments:

Page 2, line 15, after "products" insert "at a higher quality level and"

Page 2, line 27, before "applied" insert "basic and"

Page 3, line 2, delete the second "and" and insert a comma

Page 3, line 3, before the period insert ", and technicians"

Page 3, after line 14, insert:

"Sec. 3. [REPORT.]

The office of science and technology in Minnesota Technology, Inc. shall prepare a plan to implement the policy in section 2, and report to the legislature by January 15, 1993."

Amend the title as follows:

Page 1, line 5, after the semicolon insert "requiring a report to the legislature;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Segal from the Committee on Economic Development to which was referred:

H. F. No. 2190, A bill for an act relating to economic development;

providing that Ramsey county has the powers and duties of a city for the purpose of economic development authorities; amending Minnesota Statutes 1990, section 469.091, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1990, section 469.004, is amended by adding a subdivision to read:

Subd. 1a. [RAMSEY COUNTY AUTHORITY.] Notwithstanding subdivision 1, Ramsey county may exercise the powers of a housing and redevelopment authority. This subdivision expires June 30, 1993.

Sec. 2. [MUNICIPAL APPROVAL FOR PROJECTS.]

Before the commencement of a project by Ramsey county acting as a housing and redevelopment authority, the governing body of the municipality in which the project is to be located shall, by majority vote, approve the project as recommended by the authority.

Sec. 3. [LOCAL APPROVAL.]

Sections 1 and 2 are effective on the day after the Ramsey county board complies with Minnesota Statutes, section 645.021, subdivision 3.”

Delete the title and insert:

“A bill for an act relating to economic development; providing that Ramsey county may act as a housing and redevelopment authority for one year; amending Minnesota Statutes 1990, section 469.004, by adding a subdivision.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Local Government and Metropolitan Affairs.

The report was adopted.

Anderson, I., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2196, A bill for an act relating to counties; changing

certain requirements for issuance of tax anticipation certificates; amending Minnesota Statutes 1990, section 383.06.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 2219, A bill for an act relating to transportation; providing tax incentives for the use of alternative means of commuting; directing the regional transit board to establish a program to reduce traffic congestion; increasing the penalty for assaulting a transit operator; prohibiting right turns in front of buses; providing public transit operations priority in the event of an energy supply emergency; establishing a demonstration enforcement project for high occupancy vehicle lane use; amending Minnesota Statutes 1990, sections 169.19, subdivision 1; 216C.15, subdivision 1; 290.01, subdivision 19b, and by adding a subdivision; and 609.2231, by adding a subdivision; Minnesota Statutes 1991 Supplement, sections 169.346, subdivision 1; and 290.01, subdivision 19d; proposing coding for new law in Minnesota Statutes, chapters 290; and 473.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

#### “ARTICLE 1

#### TRAFFIC CONGESTION REDUCTION ACT

Section 1. Minnesota Statutes 1990, section 169.01, is amended by adding a subdivision to read:

Subd. 77. [HIGH-OCCUPANCY VEHICLE.] “High-occupancy vehicle” means a passenger vehicle with two or more occupants clearly visible from a distance of at least 50 feet, a truck with a gross vehicle weight rating of 12,000 pounds or less with two or more occupants clearly visible from a distance of at least 50 feet, and the following, regardless of the number of occupants: buses, vans displaying the marking of the metropolitan transit commission, clearly marked and licensed taxicabs, authorized emergency vehicles, and motorcycles.

Sec. 2. [169.055] [HIGH-OCCUPANCY VEHICLE ROADWAYS.]

Subdivision 1. [DESIGNATION; RESTRICTED USE.] Road authorities may designate portions of roadways for the exclusive use of high-occupancy vehicles. Designated portions must be indicated by signs or distinctive pavement markings. No vehicle except those defined in section 1 may be operated on a roadway designated for use by high-occupancy vehicles.

Subd. 2. [VIOLATION; PENALTY.] The owner, or in the case of a leased vehicle, the lessee of a motor vehicle, operated in violation of this section, is liable for a civil penalty of up to \$100. The owner or lessee is not liable for the civil penalty if the vehicle was stolen, or if another person is convicted of a violation of this subdivision for the same violation.

Sec. 3. Minnesota Statutes 1990, section 290.01, is amended by adding a subdivision to read:

Subd. 4b. [COMMUTER TRANSPORTATION BENEFITS.] "Commuter transportation benefits" means the amount paid or incurred during the taxable year by an employer as defined in section 290.92, subdivision 1, paragraph (4), for providing employees as defined in section 290.92, subdivision 1, paragraph (3), alternatives to commuting to and from work in motor vehicles occupied by one person. Those benefits include, but are not limited to, transit passes, parking at park-and-ride lots, parking for carpools, employer-sponsored rideshare and vanpool programs, bicycles and bicycle safety equipment, equipment that permits an employee to limit commuting by working at home, and the additional amount paid or incurred due to the use of flextime, staggered work hours, or other management techniques that reduce single-occupancy vehicle commuting by employees.

Sec. 4. Minnesota Statutes 1990, section 290.01, subdivision 19b, is amended to read:

Subd. 19b. [SUBTRACTIONS FROM FEDERAL TAXABLE INCOME.] For individuals, estates, and trusts, there shall be subtracted from federal taxable income:

(1) interest income on obligations of any authority, commission, or instrumentality of the United States to the extent includable in taxable income for federal income tax purposes but exempt from state income tax under the laws of the United States;

(2) if included in federal taxable income, the amount of any overpayment of income tax to Minnesota or to any other state, for any previous taxable year, whether the amount is received as a refund or as a credit to another taxable year's income tax liability;

(3) the amount paid to others not to exceed \$650 for each

dependent in grades kindergarten to 6 and \$1,000 for each dependent in grades 7 to 12, for tuition, textbooks, and transportation of each dependent in attending an elementary or secondary school situated in Minnesota, North Dakota, South Dakota, Iowa, or Wisconsin, wherein a resident of this state may legally fulfill the state's compulsory attendance laws, which is not operated for profit, and which adheres to the provisions of the Civil Rights Act of 1964 and chapter 363. As used in this clause, "textbooks" includes books and other instructional materials and equipment used in elementary and secondary schools in teaching only those subjects legally and commonly taught in public elementary and secondary schools in this state. "Textbooks" does not include instructional books and materials used in the teaching of religious tenets, doctrines, or worship, the purpose of which is to instill such tenets, doctrines, or worship, nor does it include books or materials for, or transportation to, extracurricular activities including sporting events, musical or dramatic events, speech activities, driver's education, or similar programs. In order to qualify for the subtraction under this clause the taxpayer must elect to itemize deductions under section 63(e) of the Internal Revenue Code;

(4) to the extent included in federal taxable income, distributions from a qualified governmental pension plan, an individual retirement account, simplified employee pension, or qualified plan covering a self-employed person that represent a return of contributions that were included in Minnesota gross income in the taxable year for which the contributions were made but were deducted or were not included in the computation of federal adjusted gross income. The distribution shall be allocated first to return of contributions until the contributions included in Minnesota gross income have been exhausted. This subtraction applies only to contributions made in a taxable year prior to 1985;

(5) income as provided under section 290.0802;

(6) the amount of unrecovered accelerated cost recovery system deductions allowed under subdivision 19g; ~~and~~

(7) to the extent included in federal adjusted gross income, income realized on disposition of property exempt from tax under section 290.491; and

(8) the value of commuter transportation benefits received by an employee to the extent included in federal taxable income, in an amount not to exceed \$60 per month.

Sec. 5. Minnesota Statutes 1991 Supplement, section 290.01, subdivision 19d, is amended to read:

Subd. 19d. [CORPORATIONS; MODIFICATIONS DECREASING FEDERAL TAXABLE INCOME.] For corporations, there shall be

subtracted from federal taxable income after the increases provided in subdivision 19c:

(1) the amount of foreign dividend gross-up added to gross income for federal income tax purposes under section 78 of the Internal Revenue Code;

(2) the amount of salary expense not allowed for federal income tax purposes due to claiming the federal jobs credit under section 51 of the Internal Revenue Code;

(3) any dividend (not including any distribution in liquidation) paid within the taxable year by a national or state bank to the United States, or to any instrumentality of the United States exempt from federal income taxes, on the preferred stock of the bank owned by the United States or the instrumentality;

(4) amounts disallowed for intangible drilling costs due to differences between this chapter and the Internal Revenue Code in taxable years beginning before January 1, 1987, as follows:

(i) to the extent the disallowed costs are represented by physical property, an amount equal to the allowance for depreciation under Minnesota Statutes 1986, section 290.09, subdivision 7, subject to the modifications contained in subdivision 19e; and

(ii) to the extent the disallowed costs are not represented by physical property, an amount equal to the allowance for cost depletion under Minnesota Statutes 1986, section 290.09, subdivision 8;

(5) the deduction for capital losses pursuant to sections 1211 and 1212 of the Internal Revenue Code, except that:

(i) for capital losses incurred in taxable years beginning after December 31, 1986, capital loss carrybacks shall not be allowed;

(ii) for capital losses incurred in taxable years beginning after December 31, 1986, a capital loss carryover to each of the 15 taxable years succeeding the loss year shall be allowed;

(iii) for capital losses incurred in taxable years beginning before January 1, 1987, a capital loss carryback to each of the three taxable years preceding the loss year, subject to the provisions of Minnesota Statutes 1986, section 290.16, shall be allowed; and

(iv) for capital losses incurred in taxable years beginning before January 1, 1987, a capital loss carryover to each of the five taxable years succeeding the loss year to the extent such loss was not used in a prior taxable year and subject to the provisions of Minnesota Statutes 1986, section 290.16, shall be allowed;

(6) an amount for interest and expenses relating to income not taxable for federal income tax purposes, if (i) the income is taxable under this chapter and (ii) the interest and expenses were disallowed as deductions under the provisions of section 171(a)(2), 265 or 291 of the Internal Revenue Code in computing federal taxable income;

(7) in the case of mines, oil and gas wells, other natural deposits, and timber for which percentage depletion was disallowed pursuant to subdivision 19c, clause (11), a reasonable allowance for depletion based on actual cost. In the case of leases the deduction must be apportioned between the lessor and lessee in accordance with rules prescribed by the commissioner. In the case of property held in trust, the allowable deduction must be apportioned between the income beneficiaries and the trustee in accordance with the pertinent provisions of the trust, or if there is no provision in the instrument, on the basis of the trust's income allocable to each;

(8) for certified pollution control facilities placed in service in a taxable year beginning before December 31, 1986, and for which amortization deductions were elected under section 169 of the Internal Revenue Code of 1954, as amended through December 31, 1985, an amount equal to the allowance for depreciation under Minnesota Statutes 1986, section 290.09, subdivision 7;

(9) the amount included in federal taxable income attributable to the credits provided in Minnesota Statutes 1986, section 273.1314, subdivision 9, or Minnesota Statutes, section 469.171, subdivision 6;

(10) amounts included in federal taxable income that are due to refunds of income, excise, or franchise taxes based on net income or related minimum taxes paid by the corporation to Minnesota, another state, a political subdivision of another state, the District of Columbia, or a foreign country or possession of the United States to the extent that the taxes were added to federal taxable income under section 290.01, subdivision 19c, clause (1), in a prior taxable year;

(11) the following percentage of royalties, fees, or other like income accrued or received from a foreign operating corporation or a foreign corporation which is part of the same unitary business as the receiving corporation:

**Taxable Year**

Beginning After .....	Percentage
December 31, 1988 .....	50 percent
December 31, 1990 .....	80 percent;

(12) income or gains from the business of mining as defined in section 290.05, subdivision 1, clause (a), that are not subject to Minnesota franchise tax;

(13) the amount of handicap access expenditures in the taxable



year which are not allowed to be deducted or capitalized under section 44(d)(7) of the Internal Revenue Code of 1986; and

(14) the amount of qualified research expenses not allowed for federal income tax purposes under section 280C(c) of the Internal Revenue Code, but only to the extent that the amount exceeds the amount of the credit allowed under section 290.068; and

(15) the amount paid or incurred for commuter transportation benefits provided to employees to the extent included in federal taxable income.

**Sec. 6. [290.061] [EMPLOYER'S COMMUTER TRANSPORTATION TAX CREDIT.]**

An employer, as defined in section 290.92, subdivision 1, paragraph (4), may take as a credit against taxes due under section 290.06 in a taxable year an amount equal to ten percent of the amount paid or incurred for commuter transportation benefits, not to exceed \$60 multiplied by the number of benefited employees.

**Sec. 7. [473.4031] [DEFINITIONS.]**

Subdivision 1. [SCOPE.] For the purposes of sections 7 to 10, the following terms have the meanings given them.

Subd. 2. [AFFECTED EMPLOYER.] "Affected employer" means an employer of 100 or more employees at any work location within a commuter trip reduction zone.

Subd. 3. [AVERAGE DAILY VEHICLE OCCUPANCY RATE.] "Average daily vehicle occupancy rate" means the average number of persons occupying vehicles registered as passenger automobiles within an area surveyed.

Subd. 4. [COMMUTER TRIP REDUCTION PLAN OR PLAN.] "Commuter trip reduction plan" or "plan" means the plan required by section 9, subdivision 3.

Subd. 5. [COMMUTER TRIP REDUCTION ZONE.] "Commuter trip reduction zone" means a geographic area designated by the regional transit board under section 8, subdivision 3.

Subd. 6. [EMPLOYER.] "Employer" has the meaning given it in section 290.92, subdivision 1, paragraph (4), except that employer excludes the federal government.

Subd. 7. [SINGLE-OCCUPANCY VEHICLE.] "Single-occupancy vehicle" means a motor vehicle occupied by one person and that is registered as a passenger automobile.

Subd. 8. [WORK LOCATION OR LOCATION.] "Work location" or "location" means an area, building, grouping of buildings, or set of contiguous buildings where employees of a single employer work.

Sec. 8. [473.4032] [COMMUTER TRIP REDUCTION PROGRAM.]

Subdivision 1. [ESTABLISHMENT.] The regional transit board shall establish a commuter trip reduction program to reduce commuting by single-occupant vehicle on the metropolitan highways. The board shall consult with the commissioner of transportation, the metropolitan council, the metropolitan transit commission, and local units of government in the metropolitan area in establishing the program.

The program must be consistent with the council's transportation policy plan.

Subd. 2. [DATA COLLECTION AND ANALYSIS; STRATEGY.] The regional transit board shall collect and analyze data on metropolitan commuting patterns, including origin-destination data, traffic congestion, employment and population densities, pollution levels, level of available transit services, parking availability, access to high-occupancy vehicles, and other factors that may affect the rate of commuting by single-occupancy vehicle.

The board shall develop a traffic congestion reduction strategy for the metropolitan area that includes maximum use of public transit, priority for multiple-occupancy vehicles, improved traffic system management, implementation of plans by affected employers, and other measures that increase the vehicle occupancy rate.

Subd. 3. [COMMUTER TRIP REDUCTION ZONES.] The board shall designate commuter trip reduction zones within the metropolitan area. The board shall determine the average vehicle occupancy rate in each zone and set rate goals for vehicle occupancy for each zone.

Every two years, the board shall review and revise as necessary its designation of zones and goals.

Sec. 9. [473.4033] [REQUIREMENTS FOR AFFECTED EMPLOYERS.]

Subdivision 1. [NOTICE; REGISTRATION.] Within 120 days after designating or revising the designation of commuter trip reduction zones and vehicle occupancy rate goals under section 8, subdivision 3, the regional transit board shall notify, by mail and by publication in newspapers of general circulation, employers with work locations in the zones of the requirements of this section. Within 60 days after

receipt of the notice, or publication of the general newspaper notice, whichever is later, an affected employer shall submit the following information to the board:

- (1) the name and address of the employer;
- (2) the name and address of a designated contact person at the work location; and
- (3) the address of each work location employing 100 or more persons within a commuter trip reduction zone and the number of employees at each location.

Subd. 2. [SURVEY.] The board shall send affected employers a survey form on the commuting patterns of the employees at each work location and information on the requirements of this section.

Subd. 3. [COMMUTER TRIP REDUCTION PLAN.] Within 180 days after receipt of the survey form, an affected employer shall submit to the board the completed survey and a commuter trip reduction plan. The plan must include the following:

- (1) a summary of the survey results, including a description of the modes of travel used by employees commuting to work, and the current average vehicle occupancy at each work location;
- (2) a list of commuter trip reduction strategies currently used by the employer;
- (3) a list and description of commuter trip reduction strategies to achieve at that location the average vehicle occupancy rate goal for the zone within five years; and
- (4) the name and title of the person preparing the plan.

Subd. 4. [CONSOLIDATED PLAN.] An affected employer may comply with this section by participating in a consolidated plan with other employers in the surrounding area.

Subd. 5. [PLAN REVIEW.] The board shall return a plan within 180 days if the plan will not meet the employer's average vehicle occupancy rate goal. The employer shall revise and resubmit the plan within 90 days after receipt of the notice that the plan is inadequate.

Subd. 6. [COMPLIANCE.] If an affected employer fails to submit a completed registration form, survey, or commuter trip reduction plan consistent with the requirements of this section, the board shall notify the affected employer. The affected employer shall consult with the board within 15 days after receipt of the notice as to the

actions needed to comply. The board may bring an action to enjoin compliance.

Sec. 10. [473.4034] [PUBLIC EDUCATION.]

The regional transit board, in cooperation with the commissioner of transportation, the metropolitan council, and the metropolitan transit commission, shall develop a program to educate the public on the benefits of reducing the number of single-occupancy commuter trips.

Sec. 11. [INITIAL DEADLINES.]

The regional transit board shall initially take the actions required by section 8 according to the following schedule:

(1) the initial collection and analysis of data required by section 8, subdivision 2, must be done by July 1, 1993;

(2) the initial designation of commuter trip reduction zones and setting of vehicle occupancy rate goals required by section 8, subdivision 3, must be done by July 1, 1993; and

(3) notwithstanding section 8, subdivision 3, the periodic review and revision of zones and goals must begin in 1996.

Sec. 12. [APPLICATION.]

Sections 7 to 11 apply in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

ARTICLE 2

MISCELLANEOUS

[Section 1. Minnesota Statutes 1990, section 169.19, subdivision 1, is amended to read:

Subdivision 1. [TURNING AT INTERSECTION.] The driver of a vehicle intending to turn at an intersection shall do so as follows:

(1) (a) Both the approach for a right turn and a right turn shall be made as close as practicable to the right-hand curb or edge of the roadway;

(2) (b) Approach for a left turn on other than one-way roadways shall be made in that portion of the right half of the roadway nearest the center line thereof, and after entering the intersection the left turn shall be made so as to leave the intersection to the right of the

center line of the roadway being entered. Whenever practicable the left turn shall be made in that portion of the intersection to the left of the center of the intersection;

(3) (c) Approach for a left turn from a two-way roadway into a one-way roadway shall be made in that portion of the right half of the roadway nearest the center line thereof and by passing to the right of such center line where it enters the intersection;

(4) (d) A left turn from a one-way roadway into a two-way roadway shall be made from the left hand lane and by passing to the right of the center line of the roadway being entered upon leaving the intersection;

(5) (e) Where both streets or roadways are one way, both the approach for a left turn and a left turn shall be made as close as practicable to the left-hand curb or edge of the roadway;

(6) (f) Local authorities in their respective jurisdictions may cause markers, buttons, or signs to be placed within or adjacent to intersections and thereby require and direct that a different course from that specified in this section be traveled by vehicles turning at an intersection, and when markers, buttons, or signs are so placed no driver of a vehicle shall turn a vehicle at an intersection other than as directed and required by such markers, buttons, or signs;

(7) (g) Whenever it is necessary for the driver of a motor vehicle to cross a bicycle lane adjacent to the driver's lane of travel to make a turn, the driver shall drive the motor vehicle into the bicycle lane prior to making the turn, and shall make the turn, yielding the right-of-way to any vehicles approaching so close thereto as to constitute an immediate hazard.

(h) No person shall make a right turn of a vehicle at an intersection in front of a transit bus that is stopped to load or unload passengers.

Sec. 2. Minnesota Statutes 1991 Supplement, section 169.346, subdivision 1, is amended to read:

Subdivision 1. [PARKING CRITERIA.] A person shall not:

(1) park a motor vehicle in or obstruct access to a parking space designated and reserved for the physically disabled, on either private or public property;

(2) park a motor vehicle in or obstruct access to an area designated by a local governmental unit as a transfer zone for disabled persons;

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(3) exercise the parking privilege provided in section 169.345, unless:

(i) that person is a physically disabled person as defined in section 169.345, subdivision 2, or the person is transporting or parking a vehicle for a physically disabled person; and

(ii) the vehicle visibly displays one of the following: a license plate issued under section 168.021, a certificate issued under section 169.345, or an equivalent certificate, insignia, or license plate issued by another state, a foreign country, or one of its political subdivisions; or

(4) park a motor vehicle in an area used as a regular route transit stopping point where (i) a transit vehicle that is accessible to the physically disabled regularly stops, and (ii) the operator of the regular route transit has erected a sign that bears the international symbol of access in white on blue. A sign erected under this clause that bears the access symbol may display other information relating to the regular route transit service. For purposes of this clause, an area used as a regular route transit stopping point consists of the 80 feet immediately in front of the sign described in this clause.

Sec. 3. Minnesota Statutes 1990, section 216C.15, subdivision 1, is amended to read:

Subdivision 1. The commissioner shall maintain an emergency conservation and allocation plan. The plan shall provide a variety of strategies and staged conservation measures to reduce energy use and in the event of an energy supply emergency, shall establish guidelines and criteria for allocation of fuels to priority users. The plan shall contain alternative conservation actions and allocation plans to reasonably meet various foreseeable shortage circumstances and allow a choice of appropriate responses. The plan shall be consistent with requirements of federal emergency energy conservation and allocation laws and regulations, shall be based on reasonable energy savings or transfers from scarce energy resources and shall:

(a) Give priority to individuals, institutions, agriculture and businesses, and public transit under contract with the commissioner of transportation or the regional transit board which demonstrate they have engaged in energy-saving measures and shall include provisions to insure that:

(1) Immediate allocations to individuals, institutions, agriculture and businesses, and public transit be based on needs at energy conservation levels;

(2) Successive allocations to individuals, institutions, agriculture

and, businesses, and public transit be based on needs after implementation of required action to increase energy conservation; and

(3) Needs of individuals and, institutions, and public transit are adjusted to insure the health and welfare of the young, old and infirm;

(b) Insure maintenance of reasonable job safety conditions and avoid environmental sacrifices;

(c) Establish programs, controls, standards, priorities or quotas for the allocation, conservation and consumption of energy resources; and for the suspension and modification of existing standards and the establishment of new standards affecting or affected by the use of energy resources, including those related to the type and composition of energy sources, and to the hours and days during which public buildings, commercial and industrial establishments, and other energy consuming facilities may or are required to remain open;

(d) Establish programs to control the use, sale or distribution of commodities, materials, goods or services;

(e) Establish regional programs and agreements for the purpose of coordinating the energy resources, programs and actions of the state with those of the federal government, of local governments, and of other states and localities; and

(f) Determine at what level of an energy supply emergency situation the pollution control agency shall be requested to ask the governor to petition the president for a temporary emergency suspension of air quality standards as required by the Clean Air Act, United States Code, title 42, section 7410f; and

(g) Establish procedures for fair and equitable review of complaints and requests for special exemptions regarding emergency conservation measures or allocations.

Sec. 4. [HOV LANE ENFORCEMENT DEMONSTRATION PROJECT.]

(a) Beginning ....., the commissioners of transportation and public safety shall jointly conduct a demonstration project using electronic technology to enforce regulations restricting the use of high-occupancy vehicle lanes. The commissioners shall submit a report evaluating the project to the legislature by January 1, 1994.

(b) If a motor vehicle is operated in violation of restrictions on use of high-occupancy vehicle lanes, the owner or lessee of the motor vehicle may not be convicted for the violation if:

~~(1) another person is convicted for that violation; or~~

(2) the motor vehicle was stolen at the time of the violation.

For purposes of this section, a lessor of a motor vehicle who keeps a record of the name and address of the lessee is not considered the owner.

No tapes may be retained after the demonstration project ends unless needed for legal purposes."

Amend the title as follows:

Page 1, line 5, delete everything after the semicolon

Page 1, line 6, delete everything before "prohibiting"

Page 1, line 11, after "sections" insert "169.01, by adding a subdivision;"

Page 1, line 12, before "290.01" insert "and"

Page 1, line 13, delete the second "and"

Page 1, line 14, delete everything before "Minnesota"

Page 1, line 17, after "chapters" insert "169;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Local Government and Metropolitan Affairs.

The report was adopted.

Anderson, I., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2269, A bill for an act relating to metropolitan government; requiring the metropolitan airports commission to budget for noise mitigation; setting property acquisition conditions; amending Minnesota Statutes 1990, section 473.661, subdivision 1, and by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:



"Section 1. Minnesota Statutes 1990, section 473.661, subdivision 1, is amended to read:

Subdivision 1. The ~~commissioner~~ commissioners shall, on or before the first day of July of each year, prepare a detailed budget of the needs of the corporation for the next fiscal year, specifying separately in said budget the amounts to be expended for acquisition of property, construction, payments on bonded indebtedness, if any, operation, noise mitigation, and maintenance, respectively, subject only to such changes as the commissioners may from time to time approve.

Sec. 2. Minnesota Statutes 1990, section 473.661, is amended by adding a subdivision to read:

Subd. 4. [NOISE MITIGATION.] (a) According to the schedule in paragraph (b), commission funds must be dedicated (1) to supplement the implementation of corrective land use management measures approved by the Federal Aviation Administration as part of the commission's Federal Aviation Regulations, part 150 noise compatibility program, (2) for acquisition of properties which lie within the boundary created by highway 62 on the north, Cedar Avenue on the west, highway 494 on the south, and existing commission properties on the east, (3) for soundproofing and accompanying air conditioning of residences, schools, and other public buildings when there is a demonstrated need because of aircraft noise, regardless of the location of the building to be soundproofed, or any combination of the three.

(b) The noise mitigation program described in paragraph (a) shall be funded by the commission from whatever source of funds according to the following schedule:

In 1993, an amount equal to at least 12 percent of the passenger facilities charges revenue amount budgeted by the commission for 1993;

In 1994, an amount equal to at least 15 percent of the passenger facilities charges revenue amount budgeted by the commission for 1994;

In 1995, an amount equal to at least 20 percent of the passenger facilities charges revenue amount budgeted by the commission for 1995; and

In 1996, an amount equal to at least 20 percent of the passenger facilities charges revenue amount budgeted by the commission for 1996.

(c) The commission's capital improvement projects, program, and

plan must reflect the requirements of this section. As part of the commission's report to the legislature under section 473.621, subdivision 1a, the commission must provide a description and the status of each noise mitigation project implemented under this section.

(d) Within 60 days of submitting the commission's and the metropolitan council's report and recommendations on major airport planning to the legislature as required by section 473.618, the commission, with the assistance of its sound abatement advisory committee, shall make a recommendation to the legislature regarding appropriate funding levels for noise mitigation at Minneapolis-St. Paul International Airport and in the neighboring communities.

### Sec. 3. [APPLICATION.]

This act applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington."

With the recommendation that when so amended the bill pass.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2313, A bill for an act relating to retirement; Duluth teachers retirement fund association; proposing coding for new law in Minnesota Statutes, chapter 354A; repealing Laws 1985, chapter 259, sections 2 and 3; and Laws 1990, chapter 570, article 7, section 4.

Reported the same back with the following amendments:

Page 2, line 36, delete "sections 2 and 3" and insert "section 2"

Amend the title as follows:

Page 1, line 5, delete "sections 2 and 3" and insert "section 2"

With the recommendation that when so amended the bill pass.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 2318, A bill for an act relating to education; including in the PER policy a procedure for parents to review the content of instructional materials; amending Minnesota Statutes 1990, section 126.666, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1990, section 126.666, subdivision 1, is amended to read:

Subdivision 1. [ADOPTING POLICIES.] A school board shall adopt each year a written PER policy that includes the following:

- (1) district curriculum goals;
- (2) learner outcomes for each subject area at each grade level that include the essential learner outcomes adopted by the state board under section 126.663, subdivision 2;
- (3) a process for evaluating each student's progress toward attaining learner outcomes and for identifying strengths and weaknesses of the curriculum;
- (4) a system for establishing a review cycle for all curriculum;
- (5) curriculum and instruction improvement plans; and
- (6) an instruction plan that includes education effectiveness processes developed according to section 121.608 and integration of curriculum and technology; and
- (7) a procedure for parents and adult students to review the content of the instructional materials to be provided to minor children or adult students and, if the parents or adult students object to the content, to make reasonable arrangements with school personnel for alternative instruction.

School personnel may not impose an academic or other penalty upon a student merely for arranging alternative instruction under clause (7). School personnel must evaluate and assess the quality of the student's work.

Sec. 2. Minnesota Statutes 1990, section 126.666, subdivision 4, is amended to read:

Subd. 4. [REPORT] (a) By October 1 of each year, the school board shall adopt, using state board standard reporting procedures, a report that includes the following:

- (1) learner outcomes adopted for that year;
- (2) results of local assessment data, and any additional test data;
- (3) the annual school district improvement plans; and
- (4) information about progress that has been made toward the improvement plans that were previously adopted by the board.

The school board shall publish the report in the local newspaper with the largest circulation in the district or by mail. The report shall be available for inspection by the public. A copy of the report shall be sent to the commissioner of education by October 15 of each year.

(b) The title of the report shall contain the name and number of the school district and read "Annual Report on Curriculum and Student Performance." The report must include at least the following information about curriculum advisory committee membership:

(1) the name of each committee member and the date when that member's term expires;

(2) the method and criteria the school board uses to select committee members; and

(3) the date by which a community resident must apply to next serve on the committee.

Sec. 3. [EFFECTIVE DATE.]

Section 1 is effective for the 1992-1993 school year. Section 2 is effective June 1, 1992."

Delete the title and insert:

"A bill for an act relating to education; including in the PER policy a procedure for parents to review the content of instructional materials; entitling the PER report the "Annual Report on Curriculum and Student Performances"; including in the PER report information about curriculum advisory committee membership; amending Minnesota Statutes 1990, section 126.666, subdivisions 1 and 4."

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, I., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2324, A bill for an act relating to state lands; authorizing public sale of certain tax-forfeited lands that border public water in Fillmore county.

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

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 2339, A bill for an act relating to education; providing for Minnesota extension service fringe benefits and salary increases; appropriating money.

Reported the same back with the following amendments:

Page 1, delete section 2

Page 1, after line 25, insert:

“Sec. 4. [ALLOWANCE FOR UNMET FEDERAL FRINGE COSTS.]

When the federal contribution to the fringe benefit package of extension service employees is less than the federal proportional obligation for those benefit packages, the state shall make up the difference. When federal funds are later provided to fully pay the federal proportional obligation for employee benefit packages, the state shall first offset as much as possible of the difference it has previously paid of the federal share.”

Renumber the sections in sequence

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 2373, A bill for an act relating to education; removing the education commissioner from the state high school league board; requiring the league board to prepare and file an annual written report; removing other reporting requirements; amending Minnesota Statutes 1990, sections 43A.18, subdivision 4a; 128C.01, subdivision 4; 128C.02, by adding a subdivision; and 128C.10, subdivision 5; repealing Laws 1988, chapter 718, article 7, section 58.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on General Legislation, Veterans Affairs and Gaming.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 2377, A bill for an act relating to education; making changes in the school consolidation law; amending Minnesota Statutes 1990, section 122.23, subdivision 16; Minnesota Statutes 1991 Supplement, section 122.23, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1991 Supplement, section 122.23, subdivision 2, is amended to read:

Subd. 2. (a) Upon a resolution of a school board in the area proposed for consolidation or upon receipt of a petition therefor executed by 25 percent of the voters resident in the area proposed for consolidation or by 50 such voters, whichever is lesser, the county auditor of the county which contains the greatest land area of the proposed new district shall forthwith cause a plat to be prepared. The resolution or petition shall show the approximate area proposed for consolidation.

(b) The resolution or petition may propose the following:

(1) that the bonded debt of the component districts will be paid according to the levies previously made for that debt under chapter 475, as provided in subdivision 16a, or that the taxable property in the newly created district will be taxable for the payment of all or a

portion of the bonded debt previously incurred by any component district as provided in subdivision 16b;

(2) that obligations for a capital loan or an energy loan made according to section 216C.37 or sections 298.292 to 298.298 outstanding in a preexisting district as of the effective date of consolidation remain solely with the preexisting district that obtained the loan, or that all or a portion of the loan obligations will be assumed by the newly created or enlarged district and paid by the newly created or enlarged district on behalf of the preexisting district that obtained the loan;

(3) that referendum levies previously approved by voters of the component districts pursuant to section 124A.03, subdivision 2, or its predecessor provision, be combined as provided in section 122.531, subdivision 2a or 2b, or that the referendum levies be discontinued;

(4) that the board of the newly created district consist of seven members; or

(5) that separate election districts from which school board members will be elected, the boundaries of these election districts, and the initial term of the member elected from each of these election districts be established.

A group of districts that operates a cooperative secondary facility funded under section 124.494 may also propose a temporary school board structure as specified in section 2.

If a county auditor receives more than one request for a plat and the requests involve parts of identical districts, the auditor shall forthwith prepare a plat which in the auditor's opinion best serves the educational interests of the inhabitants of the districts or areas affected.

(c) The plat shall show:

(1) Boundaries of the proposed district, as determined by the county auditor, and present district boundaries,

(2) The location of school buildings in the area proposed as a new district and the location of school buildings in adjoining districts,

(3) The boundaries of any proposed separate election districts, and

(4) Other pertinent information as determined by the county auditor.

Sec. 2. Minnesota Statutes 1990, section 124.494, is amended by adding a subdivision to read:

Subd. 7. [CONSOLIDATION.] A group of districts that operates a cooperative secondary facility that was acquired, constructed, re-modeled, or improved under this section and implements consolidation proceedings according to section 122.23, may propose a temporary school board structure in the petition or resolution required under section 122.23, subdivision 2. The temporary board structure may be in place for up to four years following the effective date of consolidation.

In the proposal, the districts may specify how many of the existing members of each district would become members of the school board of the consolidated district and a method to gradually reduce the membership to six or seven during the four years following the effective date of consolidation."

Delete the title and insert:

"A bill for an act relating to education; allowing a temporary school board structure for districts operating a cooperative secondary facility; amending Minnesota Statutes 1990, section 124.494, by adding a subdivision; Minnesota Statutes 1991 Supplement, section 122.23, subdivision 2."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Anderson, I., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2388, A bill for an act relating to local government; regulating certain interests in contracts by public officers; amending Minnesota Statutes 1990, section 471.88, by adding subdivisions.

Reported the same back with the following amendments:

Page 1, delete section 2

Page 1, line 24, delete "3" and insert "2"

Page 1, line 25, delete "Sections 1 and 2 are" and insert "Section 1 is"



Amend the title as follows:

Page 1, line 5, delete "subdivisions" and insert "a subdivision"

With the recommendation that when so amended the bill pass.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 2397, A bill for an act relating to pipelines; regulating liquefied natural gas facilities; amending Minnesota Statutes 1990, sections 299J.02, subdivisions 12, 13, and by adding subdivisions; 299J.04; 299J.07, subdivision 1; 299J.10; 299J.12, subdivisions 2 and 3; and 299J.15.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Anderson, I., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2404, A bill for an act relating to governmental operations; setting conditions for certain state laws; regulating payments; fixing local accounting procedures; providing for investments and uses of public facilities; amending Minnesota Statutes 1990, sections 11A.24, subdivision 6; 13.76, by adding a subdivision; 367.36, subdivision 1; 412.222; 471.49, by adding a subdivision; 471.66; 471.696; 471.697; 471.6985; 477A.017, subdivision 2; and 609.415, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 279; 471; and 609; repealing Minnesota Statutes 1991 Supplement, section 128B.10, subdivision 2.

Reported the same back with the following amendments:

Page 3, after line 19, insert:

"Sec. 5. Minnesota Statutes 1990, section 386.015, subdivision 5, is amended to read:

Subd. 5. The county recorder shall charge and collect all fees as prescribed by law and all such fees collected as county recorder shall be paid to the county in the manner and at the time prescribed by the county board, but not less often than once each month. This

subdivision shall apply to the fees collected by the county recorder in performing the duties of the registrar of titles and all such fees shall be paid to the county as herein provided except that money paid to the registrar of titles for the state general fund as provided in section 508.74, shall be paid to the county as provided in section 508.75. A county recorder may retain as personal compensation any fees the recorder is permitted to charge by law for services rendered in a private capacity as a registered abstractor as defined in section 386.61, subdivision 2, clause (2). A county recorder, acting in a private capacity as a registered abstractor, may not use county resources for the provision of professional abstracting services, nor may a county recorder, acting in a private capacity as a registered abstractor, store business files, or other supplies or materials related to the provision of professional abstracting services, in county owned or leased buildings."

Page 4, line 21, delete "Subd. 3."

Page 4, line 36, after "owned" insert "or leased"

Page 5, line 20, delete "or town"

Page 5, line 21, after "2,500" insert "or town with a population of 2,500 with annual revenue of \$500,000 or more"

Page 9, line 5, delete "15" and insert "16"

Reorder the remaining sections in sequence

Amend the title as follows:

Page 1, line 8, after the first semicolon insert "386.015, subdivision 5;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Segal from the Committee on Economic Development to which was referred:

H. F. No. 2432, A bill for an act relating to economic development; providing for the return of money under certain grant programs to be credited to the agricultural and economic development account; amending Minnesota Statutes 1990, section 116J.873, subdivision 4; Laws 1987, chapter 386, article 9, section 19, as amended.

Reported the same back with the following amendments:

Page 1, lines 22 and 23, reinstate the stricken language and delete the new language and insert "except that money repaid to the state which is derived from the sale of a loan by a local community or recognized Indian tribal government must be credited to the commissioner's revolving economic recovery account"

Page 2, line 15, after "money" insert "derived" and after the first "the" insert "sale of a loan from the"

Page 2, line 16, delete "shall" and insert "after the effective date of this section must"

Amend the title as follows:

Page 1, line 4, after "to" insert "the commissioner's revolving economic recovery account or"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2437, A bill for an act relating to the environment; pollution control; conforming certain pollution control measures to federal Clean Air Act amendments; authorizing assessment of emission fees; changing method used for calculating emission fees; changing the definition of chlorofluorocarbons; establishing a small business air quality compliance assistance program; providing for the appointment of an ombudsman for small business air quality compliance assistance; creating a small business air quality compliance advisory council; amending Minnesota Statutes 1990, section 116.70, subdivision 3; Minnesota Statutes 1991 Supplement, section 116.07, subdivision 4d; proposing coding for new law in Minnesota Statutes, chapter 116.

Reported the same back with the following amendments:

Page 2, lines 13 and 14, delete the new language

Page 3, line 14, after the second comma insert "or"

Page 3, line 15, delete everything after "adopted" and insert a period

Page 3, delete line 16

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2438, A bill for an act relating to retirement; individual retirement account plan; expanding plan coverage to include certain higher education employees; amending Minnesota Statutes 1990, sections 136.88, subdivision 1; 352D.02, subdivisions 1 and 1a; 352D.03; 354B.01, subdivision 2, and by adding subdivisions; 354B.015; 354B.02, subdivisions 1, 4, and by adding subdivisions; 354B.03, by adding a subdivision; 354B.04, subdivision 1; and 354B.05, subdivision 1; Minnesota Statutes 1991 Supplement, section 354B.04, subdivision 2; repealing Laws 1986, chapter 458, section 36.

Reported the same back with the following amendments:

Page 1, after line 26, insert:

"Sec. 2. Minnesota Statutes 1990, section 352C.033, is amended to read:

352C.033 [DEFERRED ANNUITIES AUGMENTATION.]

The deferred retirement allowance for any former constitutional officer or commissioner shall be augmented as provided in this section. The required reserves applicable to the deferred retirement allowance, determined as of the date the retirement allowance begins to accrue using the appropriate mortality table and an interest assumption of five percent, shall be augmented from the first of the month following termination of service as a constitutional officer or commissioner, or January 1, 1979, whichever is later, to the first day of the month in which the annuity begins to accrue, at the rate of five percent per annum compounded annually until January 1, 1981, and thereafter at the rate of three percent per annum compounded annually until January 1 of the year in which the former constitutional officer or commissioner attains age 55. From that date to the effective date of retirement, the rate is five percent compounded annually."

Page 9, line 19, before "Sections" insert "Section 2 is effective on the day following final enactment and applies to any former constitutional officer or commissioner eligible for a deferred retirement allowance on that date." and before "to" insert "and 3"

Renumber the sections in sequence

Correct the internal references

Amend the title as follows:

Page 1, line 5, after the semicolon insert "352C.033;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, I., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2446, A bill for an act relating to certain cities; authorizing the cities of Fridley, Mounds View, New Brighton, and Spring Lake Park to participate in the establishment and operation of senior citizen centers and related facilities; authorizing the issuance of bonds; authorizing tax levies.

Reported the same back with the following amendments:

Page 1, line 24, delete "\$70,750" and insert "\$52,929" and delete "\$12,700" and insert "\$8,874"

Page 1, line 25, delete "\$2,257" and insert "\$4,000"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Segal from the Committee on Economic Development to which was referred:

H. F. No. 2455, A bill for an act relating to the emergency jobs program; modifying program conditions; amending Minnesota Statutes 1990, sections 268.676, subdivision 1; 268.77, subdivision 1; and 268.681, subdivisions 1 and 2.

Reported the same back with the following amendments:

Page 3, line 26, delete "must be" and insert "is"

Page 3, line 27, before the comma insert "or other alternative health care coverage"

Page 4, line 9, reinstate the stricken language

Page 4, line 10, reinstate everything before the stricken "and"

Page 4, line 11, reinstate the stricken language

Page 4, line 14, delete "(3)" and insert "(4)"

Page 4, after line 26, insert:

"Sec. 5. Minnesota Statutes 1990, section 268.682, subdivision 3, is amended to read:

Subd. 3. [EMPLOYER CERTIFICATION.] In order to qualify as an eligible employer, a government or nonprofit agency or business must certify to the eligible local service unit:

(1) that the wage subsidy will result in an employee obtaining identifiable and portable skills and submit a on-the-job training plan to describe how portable skills will be developed; and

(2) that each job created and funded under sections 268.672 to 268.682:

(a) will result in an increase in employment opportunities over those which would otherwise be available;

(b) will not result in the displacement of currently employed workers, including partial displacement such as reduction in hours of nonovertime work, wages, or employment benefits; and

(c) will not impair existing contracts for service or result in the substitution of wage subsidy funds for other funds in connection with work that would otherwise be performed.

Sec. 6. [REVISOR INSTRUCTION.]

The revisor is directed to change the words "emergency job program" wherever they appear in Minnesota Statutes to "Minnesota employment economic development program."

Sec. 7. [REPEALER.]

Minnesota Statutes 1990, section 268.6751, subdivision 2, is repealed."

Amend the title as follows:

Page 1, line 2, before "modifying" insert "changing the program name;"

Page 1, line 4, after the semicolon insert "268.682, subdivision 3;"

Page 1, line 5, before the period insert "; repealing Minnesota Statutes 1990, section 268.6751, subdivision 2"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Osthoff from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 2465, A bill for an act relating to veterans; clarifying procedures for searches of veterans' home residents' rooms or property; amending Minnesota Statutes 1990, section 198.33, subdivision 1.

Reported the same back with the following amendments:

Page 2, after line 21, insert:

"Sec. 2. Minnesota Statutes 1990, section 365A.06, subdivision 2, is amended to read:

Subd. 2. [ELECTION.] The town board shall hold a special election within the boundaries of the proposed district not less than 30 nor more than 90 days after receipt of the petition. The question to be submitted and voted upon by the property owners eligible voters within the territory of the proposed district must be phrased substantially as follows:

"Shall a subordinate service district be established to provide (service or services to be provided) financed by (revenue sources)?"

If a majority of those voting on the question favor creation of the district, the district shall begin upon certification of the vote by the town clerk. The town clerk shall administer the election.

## Sec. 3. [EFFECTIVE DATE.]

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

Amend the title as follows:

Page 1, line 4, delete "section" and insert "sections"

Page 1, line 5, before the period insert "; and 365A.06, subdivision 2"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Clark from the Committee on Housing to which was referred:

H. F. No. 2475, A bill for an act relating to landlords and tenants; changing the interest rate required on a rental deposit; amending Minnesota Statutes 1990, section 504.20, subdivision 2.

Reported the same back with the following amendments:

Page 1, after line 20, insert:

"Sec. 2. [SUNSET.]

The interest rate change under section 1 reverts to 5-1/2 percent in five years from the date of enactment. The reversion is subject to review by the legislature in the 1996 session."

Page 1, line 21, delete "2" and insert "3"

Amend the title as follows:

Page 1, line 2, after the semicolon insert "temporarily"

With the recommendation that when so amended the bill pass.

The report was adopted.



Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2476, A bill for an act relating to retirement; teacher retirement plans; state deferred compensation program; recodifying state deferred compensation program; providing state deferred compensation program coverage for extracurricular teaching activity compensation; amending Minnesota Statutes 1990, sections 352.031, subdivision 2; 353D.12, subdivision 4; 354.05, by adding subdivisions; 354.07, by adding a subdivision; 354.42, subdivisions 2, 3, 5, and by adding a subdivision; 354.44, subdivision 6; 354A.011, by adding subdivisions; 354A.021, by adding a subdivision; 354A.12, subdivisions 1, 2, and by adding a subdivision; 354A.31, subdivision 4; 356.24; and 518.54, subdivision 11; Minnesota Statutes 1991 Supplement, sections 354.46, subdivision 1; and 354A.12, subdivision 1a; proposing coding for new law in Minnesota Statutes, chapter 352E; repealing Minnesota Statutes 1990, sections 352.96; and 352.97.

Reported the same back with the following amendments:

Page 4, line 20, delete "must" and insert "may"

Page 7, line 16, after "(7)" insert "subject to subdivision 1a,"

Page 7, after line 23, insert:

"Subd. 1a. [EXTRACURRICULAR TEACHER ELECTION; MINIMUM DEFERRAL LEVEL.] (a) Subject to paragraph (b), a teacher, upon initiating extracurricular teaching activity management duties in a school year, shall elect whether or not to defer the employee contribution on the extracurricular teaching activity management compensation for that school year for all extracurricular teaching activities during that school year. A failure to make that election within 30 days of the start of the school year, or ten days of the initiation of extracurricular teaching activities, whichever is earlier, must be considered an election not to defer.

(b) If the employing unit that employs the teacher who will be performing extracurricular teaching activities determines that the total extracurricular compensation expected to be paid to the teacher is equal to or exceeds \$500 for the school year, the teacher may make the election to defer under subdivision 1, clause (7), and paragraph (a). If the determination is that total extracurricular compensation for the school year will be less than \$500, the teacher may not elect to defer the extracurricular compensation member contributions."

Page 8, after line 2, insert:

“Sec. 7. [APPLICATION OF PROVISIONS.]

Contracts made and rules issued under the authority of Minnesota Statutes 1990, section 352.96, may continue after July 1, 1993.”

Page 8, line 3, delete “7” and insert “8”

Page 8, line 6, delete “8” and insert “9”

Page 8, line 7, delete “7” and insert “8”

Page 13, line 22, after “352E.10” insert “or is not permitted under section 356.24, subdivision 1a, to participate in the state of Minnesota deferred compensation plan”

Page 25, line 20, after “352E.10” insert “or is not permitted under section 356.24, subdivision 1a, to participate in the state of Minnesota deferred compensation plan”

Page 29, after line 24, insert:

#### “ARTICLE 4

#### FEE FOR DOCUMENTING PRIOR EXTRACURRICULAR TEACHING SERVICE AND COMPENSATION

Section 1. [125.122] [EXTRACURRICULAR TEACHING ACTIVITY MANAGERS; DOCUMENTATION FEE AUTHORITY.]

To cover the cost of documenting prior extracurricular teaching activity management service and compensation under section 354.07, subdivision 10, or 354A.021, subdivision 9, a school district may charge the extracurricular teaching activity manager a documentation fee, not to exceed \$50.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective July 1, 1993.”

Amend the title as follows:

Page 1, line 18, delete “chapter” and insert “chapters 125; and”

With the recommendation that when so amended the bill pass.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 2492, A bill for an act relating to education; authorizing election districts for a newly created school district in Martin county.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on General Legislation, Veterans Affairs and Gaming.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 2510, A bill for an act relating to transportation; providing for final design and construction of light rail transit by the commissioner of transportation; amending Minnesota Statutes 1990, sections 174.32, subdivisions 2 and 3; 222.50, subdivision 7; 398A.04, by adding a subdivision; 473.167, subdivision 1; 473.384, subdivision 2; 473.399, subdivisions 1 and 3; 473.3994, subdivisions 2, 3, 4, 5, and 7; 473.3996; and 473.4051; Minnesota Statutes 1991 Supplement, sections 117.57, subdivision 3; 398A.04, subdivision 8; and 473.3997; Laws 1991, chapter 291, article 4, section 20; proposing coding for new law in Minnesota Statutes, chapter 174; repealing Minnesota Statutes 1990, section 473.3994, subdivision 6; Minnesota Statutes 1991 Supplement, section 473.3998.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1990, section 174.32, subdivision 2, is amended to read:

Subd. 2. [TRANSIT ASSISTANCE FUND; DISTRIBUTION.] (a) The transit assistance fund receives money distributed under section 297B.09. Eighty percent of the receipts of the fund must be placed into a metropolitan account for distribution to recipients located in the metropolitan area and 20 percent into a separate account for distribution to recipients located outside of the metropolitan area. Except as otherwise provided in this subdivision, the regional transit board created by section 473.373 is responsible for distributing assistance from the metropolitan account, and the

commissioner is responsible for distributing assistance from the other account. Money placed in the metropolitan account is available for distribution to regional railroad authorities established under chapter 398A in the metropolitan area, by the commissioner of transportation as provided in paragraph (b).

(b) The commissioner shall request applications from all eligible regional railroad authorities. The commissioner shall establish a reasonable deadline for submittal of applications. The commissioner may not distribute more than 60 percent of the available funds to a single recipient. Before distributing money to any regional railroad authority, the commissioner shall submit the applications to the regional transit board for approval. The commissioner may distribute funds only with the approval of the board. Before approving any application for funds for construction, the board shall report to the legislature on the use and planned distribution of construction funds.

#### Sec. 2. [174.35] [LIGHT RAIL TRANSIT.]

The commissioner of transportation may exercise the powers granted in this chapter and chapter 473, as necessary, to plan, design, acquire, construct, and equip light rail transit facilities in the metropolitan area as defined in section 473.121, subdivision 2.

Sec. 3. Minnesota Statutes 1990, section 473.167, subdivision 1, is amended to read:

Subdivision 1. [CONTROLLED ACCESS HIGHWAYS; AND TRANSIT FIXED-GUIDEWAYS; COUNCIL APPROVAL.] Before acquiring land for or constructing a controlled access highway or transit fixed-guideway in the area, the state transportation department or local government unit proposing the acquisition or construction shall submit to the council a statement describing the proposed project. The statement must be in the form and detail required by the council. Immediately upon receipt of the statement, the council shall transmit a copy to the regional transit board, which shall review and evaluate the project in relationship to the board's implementation plan and report its recommendations and comments to the council. The council shall also review the statement to ascertain its consistency with its policy plan and the development guide. No project may be undertaken unless the council determines that it is consistent with the policy plan and implementation plan. This approval is in addition to the requirements of any other statute, ordinance or rule.

Sec. 4. Minnesota Statutes 1990, section 473.399, subdivision 1, is amended to read:

Subdivision 1. [GENERAL REQUIREMENTS.] (a) The transit board shall adopt a regional light rail transit plan, as provided in

~~this section part of the implementation plan pursuant to section 473.161, to ensure that light rail transit facilities in the metropolitan area will be acquired, developed, owned, and capable of operation in an efficient, cost-effective, and coordinated manner as an integrated and unified system on a multicounty basis in coordination with buses and other transportation modes and facilities. To the extent practicable, the board shall incorporate into its plan appropriate elements of the plans of regional railroad authorities in order to avoid duplication of effort.~~

(b) ~~The regional plan required by this section must be adopted by the board before any regional railroad authority the commissioner of transportation may begin construction of light rail transit facilities and before any authority is eligible for state financial assistance the commissioner may expend funds appropriated or obtained through bonding for constructing light rail transit facilities. Following adoption of the regional plan, each regional railroad authority or other developer of light rail transit in the metropolitan area and the commissioner of transportation shall act in conformity with the plan. Each authority or proposer The commissioner shall prepare or amend its comprehensive plan and preliminary and final design plans as necessary to make the plans consistent with the regional plan.~~

(c) Throughout the development and implementation of the plan, the board shall contract for or otherwise obtain engineering services to assure that the plan adequately addresses the technical aspects of light rail transit.

Sec. 5. Minnesota Statutes 1990, section 473.3994, subdivision 2, is amended to read:

Subd. 2. [PRELIMINARY DESIGN PLANS; PUBLIC HEARING.] Before ~~preparing~~ final design plans are prepared for a light rail transit facility, the ~~political subdivision proposing the facility~~ joint lead agencies must hold a public hearing on the physical design component of the preliminary design plans. The ~~proposer~~ joint lead agencies must provide appropriate public notice of the hearing and publicity to ensure that affected parties have an opportunity to present their views at the hearing.

Sec. 6. Minnesota Statutes 1990, section 473.3994, subdivision 3, is amended to read:

Subd. 3. [PRELIMINARY DESIGN PLANS; LOCAL APPROVAL.] At least 30 days before the hearing under subdivision 2, the ~~proposer~~ joint lead agencies shall submit the physical design component of the preliminary design plans to the governing body of each statutory and home rule charter city, county, and town in which the route is proposed to be located. The city, county, or town shall hold a public hearing, except that a county board need not hold a hearing if the

county board membership is identical to the membership of the regional railroad authority submitting the plan for review. Within 45 days after the hearing under subdivision 2, the city, county, or town shall review and approve or disapprove the plans for the route to be located in the city, county, or town. A local unit of government that disapproves the plans shall describe specific amendments to the plans that, if adopted, would cause the local unit to withdraw its disapproval. Failure to approve or disapprove the plans in writing within 45 days after the hearing is deemed to be approval, unless an extension of time is agreed to by the city, county, or town and the ~~proposer~~ joint lead agencies.

Sec. 7. Minnesota Statutes 1990, section 473.3994, subdivision 4, is amended to read:

Subd. 4. [~~PRELIMINARY DESIGN PLANS; REGIONAL TRANSIT BOARD METROPOLITAN COUNCIL REFERRAL.~~] If the governing body of one or more cities, counties, or towns disapproves the preliminary design plans within the period allowed under subdivision 3, the ~~proposer~~ joint lead agencies may refer the plans, along with any comments of local jurisdictions, to the ~~regional transit board~~ metropolitan council. The ~~board council~~ shall hold a hearing on the plans, giving the ~~proposer~~ joint lead agencies, any disapproving local governmental units, and other persons an opportunity to present their views on the plans. The ~~board council~~ may conduct independent study as it deems desirable and may mediate and attempt to resolve disagreements about the plans. Within 90 days after the referral, the ~~board council~~ shall review the plans submitted by the ~~proposer~~ joint lead agencies and may recommend amended plans to accommodate the objections presented by the disapproving local governmental units.

Sec. 8. Minnesota Statutes 1990, section 473.3994, subdivision 5, is amended to read:

Subd. 5. [FINAL DESIGN PLANS.] (a) Before beginning construction, the ~~proposer~~ commissioner shall submit the physical design component of final design plans to the governing body of each statutory and home rule city, county, and town in which the route is proposed to be located. Within 60 days after the submission of the plans, the city, county, or town shall review and approve or disapprove the plans for the route located in the city, county, or town. A local unit of government that disapproves the plans shall describe specific amendments to the plans that, if adopted, would cause the local unit to withdraw its disapproval. Failure to approve or disapprove the plans in writing within the time period is deemed to be approval, unless an extension is agreed to by the city, county, or town and the ~~proposer~~ commissioner.

(b) If the governing body of one or more cities, counties, or towns disapproves the plans within the period allowed under paragraph

(a), the ~~proposer~~ commissioner may refer the plans, along with any comments of local jurisdictions, to the ~~regional transit board~~ metropolitan council. The ~~board~~ council shall review the final design plans under the same procedure and with the same effect as provided in subdivision 4 for preliminary design plans.

Sec. 9. Minnesota Statutes 1990, section 473.3994, subdivision 6, is amended to read:

Subd. 6. [COUNTY APPROVAL.] The proposer of a light rail transit facility in the metropolitan area must submit the preliminary and final design plans for the facility to the governing board of the county in which the route is proposed to be located for approval or disapproval. ~~The proposer of the facility may not proceed with construction of the facility without the approval of the county.~~

Sec. 10. Minnesota Statutes 1990, section 473.3994, subdivision 7, is amended to read:

Subd. 7. [COUNCIL REVIEW.] Before proceeding with construction of a light rail transit facility, a ~~regional rail authority established under chapter 398A~~ the commissioner must submit preliminary and final design plans to the metropolitan council. The council must review the plans for consistency with the council's development guide and ~~comment on~~ approve the plans.

Sec. 11. Minnesota Statutes 1990, section 473.3994, is amended by adding a subdivision to read:

Subd. 10. [CORRIDOR MANAGEMENT COMMITTEE.] A corridor management committee shall be established to advise the joint lead agencies in the design and construction of light rail transit in each corridor to be constructed. The corridor management committee shall consist of the members of the light rail transit joint powers board established pursuant to section 473.3998 and one representative from each city in which the corridor is located. Additionally, the commissioner of transportation, the chair of the metropolitan council, the chair of the regional transit board, and the chair of the metropolitan transit commission shall each appoint a member to the committee. For the corridor between Minneapolis and St. Paul, the University of Minnesota shall appoint one member to the committee. The member representing the regional transit board shall chair the committee.

The corridor management committee shall advise the joint lead agencies on issues relating to the alternatives analysis, environmental review, preliminary design, preliminary engineering, final design, implementation method and construction of light rail transit.

Sec. 12. Minnesota Statutes 1990, section 473.3994, is amended by adding a subdivision to read:

Subd. 11. [REGIONAL RAILROAD AUTHORITY REVIEW.] The commissioner must submit to each regional rail authority in which the corridor is located, for review and comment, the following:

- (1) preliminary design and preliminary engineering plans;
- (2) final design plans; and
- (3) major contract changes during construction.

Sec. 13. Minnesota Statutes 1990, section 473.3994, is amended by adding a subdivision to read:

Subd. 12. [JOINT LEAD AGENCIES; ENVIRONMENTAL REVIEW.] (a) For light rail transit lines to be constructed in the metropolitan area, the regional railroad authority or authorities in whose jurisdiction a line or lines is to be constructed and the regional transit board shall jointly prepare any draft environmental impact statement and alternatives analysis required. The regional transit board shall be the responsible governmental unit. Any draft environmental impact statement and alternatives analysis must be approved by the affected regional railroad authority or authorities before adoption by the responsible governmental unit.

(b) For light rail transit lines to be constructed in the metropolitan area, the regional railroad authority or authorities in whose jurisdiction a line or lines is to be constructed and the commissioner shall jointly prepare a final environmental impact statement and preliminary engineering plan. The department of transportation shall be the responsible governmental unit. Any final environmental impact statement and preliminary engineering plan so prepared must be approved by the affected regional railroad authority or authorities before adoption by the responsible governmental unit.

Sec. 14. Minnesota Statutes 1990, section 473.3994, is amended by adding a subdivision to read:

Subd. 13. [DISPUTE RESOLUTION.] In the event of a dispute between any of the parties arising from the parties' respective authority and responsibility under this section or section 473.3998, the dispute shall be submitted to the metropolitan council for final resolution by any party to the dispute. The metropolitan council shall establish by July 1, 1992, a process to ensure a prompt and speedy resolution of the dispute. This process shall allow the parties to provide evidence and testimony in support of their positions.



Sec. 15. Minnesota Statutes 1990, section 473.3996, is amended to read:

**473.3996 [LIGHT RAIL TRANSIT FACILITY DESIGN PLANS; REVIEW BY BOARD.]**

Subdivision 1. [PRELIMINARY DESIGN PLANS.] Before submitting the physical design component of final design plans of a light rail transit facility for local review under section 473.3994, subdivision 5, the ~~proposer~~ joint lead agencies shall submit preliminary design plans to the regional transit board for review. The board shall review the preliminary design plans to determine the compatibility of the plans with other light rail transit plans and facilities in the metropolitan area, the adequacy of the plans for handicapped accessibility, and the conformity of the plans with the regional light rail transit plan prepared under section 473.399. The board may comment on any aspect of the plans. The board has 90 days to complete its review, unless an extension of time is agreed to by the ~~proposer~~ joint lead agencies. If the board determines that the plans do not satisfy the standards stated in this subdivision, the board shall recommend modifications in the plans that are necessary in order to satisfy the board. After adopting or amending the regional plan required by section 473.399, the board may again review any previously reviewed preliminary design plans and recommend modifications that are necessary to satisfy the board.

Subd. 2. [FINAL DESIGN PLANS.] Before acquiring or constructing light rail transit facilities, other than land for right of way, the ~~proposer~~ commissioner of transportation shall submit final design plans to the regional transit board for review. The board shall review the final design plans under the same schedule and according to the same standards as provided for its review of preliminary design plans. The board shall either approve the plans, or if it determines that the plans do not satisfy the standards, disapprove the plans, in whole or in part, and recommend modifications in the plans that are necessary to secure approval. ~~A proposer~~ The commissioner may not proceed with acquisition or construction of a light rail transit facility, other than land for right of way, unless the final design plans for the facility have been approved by the board. Following approval of final design plans by the board, if a ~~regional railroad authority~~ the commissioner wishes to select a bid or a response to a request for proposal that is more than ten percent higher than the capital costs indicated in the final design plans for the facility, the ~~authority~~ commissioner may not proceed with construction until it has resubmitted the final design plans to the transit board for further review and approval or disapproval. The board has ten working days to review and approve or disapprove and recommend modification, unless an extension of time is agreed to by the ~~authority~~ commissioner.

Sec. 16. Minnesota Statutes 1991 Supplement, section 473.3998, is amended to read:

473.3998 [LIGHT RAIL TRANSIT JOINT POWERS BOARD.]

A light rail transit joint powers board shall be formed under section 471.59 ~~to implement light rail transit final design and construction of the corridors funded solely with federal and county funds. The board shall consist of a consisting of one voting member from the metropolitan transit commission, the department of transportation, the regional transit board, the metropolitan council, and the regional rail authorities of Hennepin, Ramsey, Anoka, Washington, Dakota, Scott, and Carver counties, plus an additional voting member from a county regional rail authority with a corridor in which final design has begun.~~

The board shall review and approve light rail transit system standards to be used by the commissioner in designing and building a light rail transit facility and shall review and approve the plan for community involvement and the marketing program. The board shall advise the corridor management committee established pursuant to section 473.3994, subdivision 10, and the commissioner on the method of implementation. All members of the board shall be members of the corridor management committee established pursuant to section 473.3994, subdivision 10.

Sec. 17. Minnesota Statutes 1990, section 473.4051, is amended to read:

473.4051 [LIGHT RAIL TRANSIT OPERATION.]

The transit commission shall operate ~~regional railroad authority~~ light rail transit facilities and services upon completion of construction of the facilities and the commencement of revenue service using the facilities. ~~The regional railroad authority commissioner of transportation and the commission may not allow the commencement of revenue service until after an appropriate period of acceptance testing to ensure satisfactory performance. In assuming the operation of the system, the transit commission must comply with section 473.415. The commission shall coordinate operation of the light rail transit system with bus service to avoid duplication of service on a route served by light rail transit and to ensure the widest possible access to light rail transit lines in both suburban and urban areas by means of a feeder bus system. If the regional plan prepared by the transit board under section 473.399 calls for construction and operation of light rail transit facilities in a jurisdiction whose governing body has chosen not to organize and proceed under chapter 398A, the board may authorize the transit commission to implement the plan in that area.~~

Sec. 18. Laws 1991, chapter 291, article 4, section 20, is amended to read:

Sec. 20. [FEDERAL FUNDING; LIGHT RAIL TRANSIT.]

(a) ~~By July 1, 1992, The regional transit board and, the commissioner of transportation shall, in consultation with, and the affected regional rail authorities, shall prepare a joint application for federal assistance for light rail transit facilities in the metropolitan area. The application must be reviewed and approved by the metropolitan council before it is submitted by the board and the commissioner. In reviewing the application the council must consider the information submitted to it under Minnesota Statutes, section 473.3994, subdivision 9. The board and the commissioner must consult with the council in preparing the application. The application may provide for metropolitan regional railroad authorities to design or construct light rail transit facilities under contract with the commissioner.~~

(b) Until the application described in paragraph (a) is submitted, no political subdivision in the metropolitan area may on its own apply for federal assistance for light rail transit planning or construction.

Sec. 19. [REPEALER.]

Minnesota Statutes 1990, sections 473.399, subdivisions 2 and 3; and 473.3991, are repealed.

Minnesota Statutes 1991 Supplement, section 473.3997, is repealed.

Sec. 20. [APPLICATION.]

This act applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Delete the title and insert:

"A bill for an act relating to transportation; providing procedures for design, approval, and construction of light rail transit; establishing corridor management committee; designating joint lead agencies for the metropolitan area; providing for resolution of disputes; changing membership and responsibilities of the light rail transit joint powers board; amending Minnesota Statutes 1990, sections 174.32, subdivision 2; 473.167, subdivision 1; 473.399, subdivision 1; 473.3994, subdivisions 2, 3, 4, 5, 6, 7, and by adding subdivisions; 473.3996; 473.4051; Minnesota Statutes 1991 Supplement, section 473.3998; Laws 1991, chapter 291, article 4, section 20; proposing coding for new law in Minnesota Statutes, chapter 174; repealing

Minnesota Statutes 1990, sections 473.399, subdivisions 2 and 3; 473.3991; Minnesota Statutes 1991 Supplement, section 473.3997.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Local Government and Metropolitan Affairs.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 2551, A bill for an act relating to corporations; regulating registrations of domestic corporations with the secretary of state; amending Minnesota Statutes 1990, section 302A.821, as amended.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Clark from the Committee on Housing to which was referred:

H. F. No. 2553, A bill for an act relating to housing; providing for an emergency mortgage and rental assistance pilot project; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 462A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [462A.058] [EMERGENCY MORTGAGE AND RENTAL ASSISTANCE PILOT PROJECT.]

Subdivision 1. [ESTABLISHMENT.] The agency may develop and administer an emergency mortgage and rental assistance pilot project for individuals and families who are in danger of losing their housing as a result of having insufficient income to allow payment of their rental or mortgage costs due to illness, unemployment, or any other failure of resources beyond their control. Assistance may be provided in the form of interest-free loans, grants, counseling services, or other services as necessary. The purpose of this project is to stabilize households, stabilize neighborhoods, and preserve public and private resources. The agency shall establish three pilot programs in the state in areas of differing population density, housing conditions, and economic conditions for the purpose of developing models for meeting diverse needs.

Subd. 2. [AGENCY POWERS AND DUTIES.] The agency shall establish:

(1) criteria for determining which organizations shall be selected to administer a pilot program under this section;

(2) criteria for administering agencies to use in targeting resources among eligible participants;

(3) guidelines to be used by administering agencies in apportionment of the funds between administrative costs, counseling services, and direct financial services;

(4) criteria for evaluating the service delivery methods, outreach, and effectiveness of services provided by the administering organizations; and

(5) criteria to be used by administering entities in determining the terms and conditions of repayment.

Subd. 3. [ADMINISTERING ORGANIZATIONS.] An organization shall demonstrate to the agency that it has the capacity to deliver the counseling and financial services and to perform the duties required under this section. An administering organization may be, but is not limited to, a community action program, a housing and redevelopment authority, or a service delivery agency.

Subd. 4. [MORTGAGE ASSISTANCE.] Mortgage assistance is the provision of direct financial and counseling services to homeowners who are at risk of losing their homes. Assistance is to be provided on a case-by-case basis. The administering agency may take into account such factors as the extent of the problem, the person's ability to afford the housing following the emergency, and alternatives available. Direct financial assistance may be in the form of one-time financial assistance to make payments in arrears, assistance with monthly payments over a period of up to six months, or other appropriate action such as payment of taxes, fees, costs or insurance necessary to reinstate the mortgage or contract for deed. The administering organization shall determine repayment schedules on a case-by-case basis. If the homeowner sells the house within one year of receiving assistance, net proceeds from the sale must be applied to the mortgage assistance loan.

Subd. 5. [RENTAL ASSISTANCE.] Rental assistance is the provision of direct financial and counseling services to renters at risk of losing their homes or families without housing. Direct financial assistance may take the form of one-time assistance to pay rent in arrears, assistance with rent payments over a period of up to six months, or other appropriate action such as payment of security deposits and first month's rent, and any fees or cost necessary to

redeem the property. Monthly rental assistance payments may not exceed the fair market rent for existing housing as established by the Department of Housing and Urban Development. In determining assistance to be awarded the administering agency may consider the person's ability to afford the housing following the emergency. Persons may be required to repay the rental assistance based on their financial ability to pay as determined by the administering organization.

Subd. 6. [ELIGIBLE PROJECT PARTICIPANTS.] (a) Eligible project participants are individuals and families ineligible for AFDC emergency assistance or emergency general assistance and whose income does not exceed 60 percent of the area or county median income, as determined by the Department of Housing and Urban Development, at the time of application to the program.

(b) Participants eligible for mortgage assistance may be mortgagors or contract for deed vendees. Mortgagors must be at least two months delinquent on the mortgage payments or in danger of foreclosure. Contract for deed vendees must be at least one month delinquent and in danger of cancellation of the contract.

(c) Participants eligible for assistance with rent payments must be at least one month in arrears, have been served with notice of an unlawful detainer complaint action, or have received notice from the landlord that an unlawful detainer action will be brought if the rent is not received by a certain date. Participants eligible for security deposit assistance must be without housing or have received an order to vacate the premises.

(d) No individual or family may receive more than six months of rental or mortgage assistance from the date of application or \$2,000, whichever is less. Participants are eligible for assistance only once.

Sec. 2. Minnesota Statutes 1990, section 462A.21, is amended by adding a subdivision to read:

Subd. 4m. It may make grants and loans for the purpose of section 462A.058 and may pay the costs and expenses necessary and incidental to the development and operation of the program.

Sec. 3. [APPROPRIATION.]

\$. . . . . is appropriated from the general fund to the commissioner of the Minnesota housing finance agency for the emergency mortgage and rental assistance pilot project."

Delete the title and insert:

“A bill for an act relating to housing; providing for an emergency mortgage and rental assistance pilot project; appropriating money; amending Minnesota Statutes 1990, section 462A.21, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 462A.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2564, A bill for an act relating to state government; reorganizing, consolidating, and restructuring state agencies and departments; creating the department of environmental protection and conservation, the board of environmental review, and the office of assistance and public advocacy; transferring all powers and duties of the pollution control agency, the department of natural resources, the environmental quality board, the board of water and soil resources, the office of waste management, the harmful substances compensation board, the petroleum tank release compensation board, and the agricultural chemical response compensation board; transferring certain powers and duties of the departments of agriculture, health, public safety, trade and economic development, and transportation; authorizing rulemaking; amending Minnesota Statutes 1991 Supplement, section 15A.081, subdivision 1; proposing coding for new law as Minnesota Statutes, chapters 100A; and 100B.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

## “ARTICLE 1

### Section 1. [POLICY.]

It is the policy and intent of the legislature that the departmental reorganization in this act shall result in the continued protection, conservation, and management of the state's natural resources and the environment. Nothing in this act may be construed to diminish or minimize the authority of laws or rules affording protection to these resources and the environment.

Sec. 2. [100A.01] [DEPARTMENT OF ENVIRONMENTAL PROTECTION AND CONSERVATION.]

Subdivision 1. [ESTABLISHMENT AND ORGANIZATION.] The department of environmental protection and conservation is an agency in the executive branch of state government. The department is headed by a commissioner appointed by the governor subject to section 15.06. The commissioner may select one deputy, one executive assistant, one personal secretary, and up to four assistant commissioners. The commissioner and these employees are in the unclassified service. The commissioner may employ other permanent and temporary employees in the classified service.

Subd. 2. [DIVISIONS WITHIN DEPARTMENT.] The department consists of four divisions: conservation, environmental protection, enforcement, and administration. The commissioner shall allocate powers, duties, and responsibility among these divisions.

Subd. 3. [REGIONAL OFFICES.] In order to better serve the needs of the public and promote efficient administration, the commissioner shall establish six regional offices throughout the state. Regions may be patterned upon previous regions used by the department of natural resources, and must be arranged in a manner that makes maximum use of existing state-owned facilities.

Sec. 3. [100B.01] [ENVIRONMENTAL REVIEW BOARD.]

Subdivision 1. [ESTABLISHMENT AND ORGANIZATION.] (a) The environmental review board is an agency in the executive branch of state government. The board consists of seven members in the unclassified service appointed by the governor and subject to the advice and consent of the senate. Members of the board must be knowledgeable in the area of environmental protection and conservation.

(b) The membership terms, removal, and filling of vacancies of members of the board are as provided in section 15.0575, except that section 15.0575, subdivision 3, does not apply.

(c) The chair and other officers must be chosen by a vote of the board members. A majority of the board constitutes a quorum.

(d) The board may employ an executive director in the unclassified service and other permanent and temporary employees in the classified service. The board may delegate to employees, or to one or more members, powers and duties that it finds necessary.

(e) Nonvoting members of the board are the commissioners of the departments of agriculture, transportation, health, and environmental protection and conservation.

Subd. 2. [BUDGET.] The board shall adopt an annual budget and work program.



Subd. 3. [POLITICAL NONPARTICIPATION.] While holding an appointment on the board, a member must not:

(1) be affiliated with or hold an interest in an organization that attempts to exert influence over state environmental or conservation policy;

(2) engage in activities of a partisan nature; or

(3) hold another state or federal office other than a commission in a reserve component of the military forces of the United States.

Subd. 4. [REPORT.] The commissioner of administration shall report to the divisions of the senate finance and house appropriation committees having jurisdiction over environment and natural resources by October 1, 1994, on whether board member positions should remain full time or should become part time.

Sec. 4. [100B.02] [POWERS AND DUTIES.]

Subdivision 1. [REVIEW OF DEPARTMENT ACTION.] At the board's discretion, proposed rules, permits, orders, and decisions of the department of environmental protection and conservation must be submitted to the board for review.

Subd. 2. [INVESTIGATIVE POWERS.] The board may conduct investigations, issue notices, subpoena witnesses and information, and hold hearings as necessary to discharge its duties under this chapter. The board may subpoena information held by an agency or political subdivision of the state, including nonpublic and private data.

Subd. 3. [CONTESTED PROCEDURES; APPEALS AND REVIEW.] (a) If a public hearing on a rule proposed by the department of environmental protection and conservation is required under chapter 14 or if the department proceeds directly to rulemaking, the board may, if it finds it is in the public interest to do so, take jurisdiction from the office of administrative hearings and hear the case according to the board's administrative procedures.

(b) If the board finds it is in the public interest to do so, it may take jurisdiction of a contested case in which the department of environmental protection and conservation is a party from the office of administrative hearings and hear the case according to the board's administrative procedures.

(c) Appeal of a board decision is to the court of appeals.

Sec. 5. [100B.03] [OFFICE OF ASSISTANCE AND PUBLIC ADVOCACY.]

Subdivision 1. [ESTABLISHMENT AND ORGANIZATION.] The office of assistance and public advocacy is under the supervision of the environmental review board and is headed by a director appointed by the board who serves in the unclassified service. The director may employ other permanent and temporary employees in the classified service.

Subd. 2. [POWERS AND DUTIES.] The office shall:

(1) function as the environmental permits coordination unit under sections 116C.22 to 116C.34;

(2) coordinate with local government units in implementing state and local environmental and natural resource programs and requirements;

(3) advocate on behalf of the public interest in administrative and judicial proceedings involving matters affecting natural resources or the environment;

(4) receive and process citizen complaints as provided in subdivision 3;

(5) make recommendations to the commissioner of the department of environmental protection and conservation, the governor, and the legislature on ways to improve the operation of the department; and

(6) submit an annual report describing the office's activities to the chairs of the legislative committees having jurisdiction over natural resources and the environment.

Subd. 3. [CITIZEN COMPLAINTS.] (a) The office shall:

(1) receive and forward to the appropriate persons in the department of environmental protection and conservation complaints from citizens relating to actions or inaction of the department; and

(2) investigate a citizen complaint where the complaint indicates that a department action or inaction may have been:

(i) contrary to law;

(ii) unreasonable, unfair, oppressive, or inconsistent;

(iii) arbitrary;

(iv) unclear or inadequately explained; or

(v) inefficiently performed.

(b) If the director determines that a complaint has merit or another problem is revealed by the investigation, the director may recommend that the commissioner:

- (1) consider the matter further;
- (2) modify or cancel the commissioner's actions;
- (3) alter a rule, order, or internal policy;
- (4) explain the action more fully; or
- (5) take other action.

(c) At the director's request, the commissioner shall, within a reasonable time, inform the director of the actions taken in response to the recommendation or the reasons for not taking action.

Subd. 4. [THIRD-PARTY SERVICES.] At the director's discretion, the office may provide mediation, conciliation, and other third-party services to requesting parties, including local government units, to aid in resolving disputes involving matters relating to natural resources or the environment.

Sec. 6. [INTERGOVERNMENTAL COORDINATION; ADVISORY TASK FORCE; REPORT.]

Subdivision 1. [ADVISORY TASK FORCE.] The director of the office of assistance and public advocacy shall establish an advisory task force to assist in coordinating state and local environmental and natural resource programs and requirements. The membership of the advisory task force must include equal and broad representation of state and local government units. The task force terminates one year after it is established.

Subd. 2. [REPORT.] The advisory task force established under subdivision 1 shall prepare a report that includes recommendations for coordinating, streamlining, and consolidating state and local programs, requirements, and functions relating to natural resources and the environment. The report must be submitted by one year after the establishment of the task force to the chairs of the legislative committees having jurisdiction over environmental and natural resource issues.

Sec. 7. [TRANSFER OF POWERS AND DUTIES; ABOLITION OF AGENCIES.]

Subdivision 1. [TRANSFER.] The powers and duties of the department of natural resources; the board of water and soil resources, except those transferred to the environmental review board under

section 9, subdivision 3; the office of waste management; and the pollution control agency are transferred to the department of environmental protection and conservation under Minnesota Statutes, section 15.039.

Subd. 2. [ABOLITION.] The department of natural resources, the board of water and soil resources, the office of waste management, and the pollution control agency are abolished.

Subd. 3. [PERSONNEL.] Except for positions transferred under section 9, personnel positions in each of the abolished agencies which are in the classified service are continued and are transferred to the department of environmental protection and conservation along with the function transferred. Notwithstanding Minnesota Statutes, section 15.039, subdivision 7, positions in an abolished agency which are in the unclassified service are abolished. Nothing in this section abrogates or modifies any rights of affected employees under terms of an agreement between an exclusive bargaining representative and the state or one of its appointing authorities.

Subd. 4. [REPORTS.] (a) The commissioner of administration shall report to the legislative committees having jurisdiction over environment and natural resources and governmental operations by January 1, 1993, on reorganization strategy, progress, problems, and analyses of potential conflicts and overlapping jurisdiction, and any proposed administrative rules under chapter 14.

(b) The commissioner of environmental protection and conservation shall report to the committees in paragraph (a) by January 1, 1994, on the reorganization and any unmet needs or issues requiring legislation.

(c) The commissioner of administration shall report to the divisions of the senate finance and house appropriation committees having jurisdiction over environment and natural resources by March 1, 1993, on a central building location and employee consolidation for the department of environmental protection and conservation, including regional offices created under section 2, subdivision 3.

#### Sec. 8. [TRANSFERS FROM OTHER AGENCIES.]

Subdivision 1. [DEPARTMENT OF AGRICULTURE.] The following powers and duties of the department of agriculture are transferred to the department of environmental protection and conservation under Minnesota Statutes, section 15.039:

(1) regulation of fertilizers, soil amendments, agricultural liming, and plant amendments under Minnesota Statutes, chapter 18C;

- (2) pesticide control under Minnesota Statutes, chapter 18B;
- (3) agriculture chemical incident response and cleanup under Minnesota Statutes, chapter 18D;
- (4) chemical incident reimbursement under Minnesota Statutes, chapter 18E;
- (5) urban forest promotion under Minnesota Statutes, section 17.86;
- (6) mosquito abatement under Minnesota Statutes, sections 18.041 to 18.161; and
- (7) groundwater protection under Minnesota Statutes, chapter 103H.

Subd. 2. [DEPARTMENT OF HEALTH.] The following powers and duties of the department of health are transferred to the department of environmental protection and conservation under Minnesota Statutes, section 15.039:

- (1) water well program under Minnesota Statutes, chapter 103I;
- (2) safe drinking water program under Minnesota Statutes, sections 144.381 to 144.387;
- (3) health risk assessment under Minnesota Statutes, section 115B.17, subdivision 10;
- (4) wellhead protection under Minnesota Statutes, sections 144.35 to 144.37;
- (5) asbestos contractor licensing under Minnesota Statutes, sections 326.70 to 326.83;
- (6) public health laboratory regulation under Minnesota Statutes, section 144.98;
- (7) lead abatement under Minnesota Statutes, sections 144.871 to 144.878;
- (8) hazardous substance exposure under Minnesota Statutes, section 145.94;
- (9) mosquito research under Minnesota Statutes, section 144.95;
- (10) water supply monitoring and health assessments under Minnesota Statutes, section 473.845, subdivision 2; and

(11) health risk limits under Minnesota Statutes, section 103H.201.

Subd. 3. [ENVIRONMENTAL QUALITY BOARD.] The following powers and duties of the environmental quality board are transferred to the department of environmental protection and conservation under Minnesota Statutes, section 15.039:

(1) radioactive waste management under Minnesota Statutes, sections 116C.705 to 116C.852; and

(2) genetic engineering under Minnesota Statutes, sections 116C.91 to 116C.96.

Subd. 4. [DEPARTMENT OF PUBLIC SAFETY.] The following powers and duties of the department of public safety are transferred to the department of environmental protection and conservation under Minnesota Statutes, section 15.039:

(1) community right to know and hazardous substances notification under Minnesota Statutes, sections 299F.091 to 299F.099;

(2) hazardous chemical emergency response planning under Minnesota Statutes, chapter 299K; and

(3) pipeline safety and inspection under Minnesota Statutes, chapter 299J.

Subd. 5. [DEPARTMENT OF TRADE AND ECONOMIC DEVELOPMENT.] The following powers and duties of the department of trade and economic development related to outdoor recreation grants under Minnesota Statutes, section 116J.406, are transferred to the department of environmental protection and conservation under Minnesota Statutes, section 15.039.

Subd. 6. [DEPARTMENT OF TRANSPORTATION.] The following powers and duties of the department of transportation are transferred to the department of environmental protection and conservation under Minnesota Statutes, section 15.039: hazardous waste shipment and licensing under Minnesota Statutes, sections 221.033 to 221.036 and 221.172.

Subd. 7. [PERSONNEL.] Personnel positions in each of the agencies or boards for which powers and duties are transferred under subdivisions 1 to 6, and which are in the classified service, are continued and are transferred to the department of environmental protection and conservation along with the function transferred. Notwithstanding Minnesota Statutes, section 15.039, subdivision 7, positions for which powers and duties are transferred and which are in the unclassified service are abolished. Nothing in this section

abrogates or modifies any rights of affected employees under terms of an agreement between an exclusive bargaining representative and the state or one of its appointing authorities.

Sec. 9. [TRANSFER OF POWERS AND DUTIES; ABOLITION OF BOARDS.]

Subdivision 1. [TRANSFER.] The powers and duties of the environmental quality board, except those transferred to the department of environmental protection and conservation under section 8, subdivision 3; the harmful substances compensation board; the petroleum tank release compensation board; and the agricultural chemical response board are transferred to the environmental review board under Minnesota Statutes, section 15.039.

Subd. 2. [ABOLITION.] The environmental quality board, the harmful substances compensation board, the petroleum tank release compensation board, and the agricultural chemical response board are abolished.

Subd. 3. [WATER PROTECTION.] The following powers and duties of the board of water and soil resources are transferred to the board under Minnesota Statutes, section 15.039:

(1) determination of water law and policy under Minnesota Statutes, sections 103A.301 to 103A.341;

(2) review of metropolitan area watershed management plans under Minnesota Statutes, section 103B.231, subdivision 9;

(3) resolution of disputes with respect to comprehensive local water plans under Minnesota Statutes, section 103B.345; and

(4) appeals of watershed district orders under Minnesota Statutes, section 103D.535.

Subd. 4. [PERSONNEL.] Except for positions transferred under sections 7 and 8, personnel positions in the environmental quality board, the board of water and soil resources, the harmful substances compensation board, the petroleum tank release compensation board, and the agricultural chemical response board for which powers and duties are transferred under subdivisions 1 and 3, and which are in the classified service, are continued and are transferred to the environmental review board along with the function transferred. Notwithstanding Minnesota Statutes, section 15.039, subdivision 7, positions for which powers and duties are transferred and which are in the unclassified service are abolished. Nothing in this section abrogates or modifies any rights of affected employees under terms of an agreement between an exclusive bargaining representative and the state or one of its appointing authorities.

Sec. 10. [TRANSFER OF POWERS AND DUTIES; PERSONNEL.]

(a) The environmental permit coordination procedures of the department of trade and economic development under Minnesota Statutes, sections 116C.22 to 116C.34, are transferred to the office of assistance and public advocacy.

(b) Personnel positions in the department of trade and economic development for which powers and duties are transferred under paragraph (a), and which are in the classified service, are continued and are transferred to the office of assistance and public advocacy along with the function transferred. Notwithstanding Minnesota Statutes, section 15.039, subdivision 7, positions for which powers and duties are transferred and which are in the unclassified service are abolished.

Sec. 11. [GOVERNOR'S BUDGET.]

The governor's budget for the biennium beginning July 1, 1993, must provide for and take into account the reorganization in sections 2 to 5 and 7 to 10, including a reflection of cost savings accomplished by the reorganization.

Sec. 12. [REVISOR'S INSTRUCTION.]

In consultation with legislative staff and affected agencies, the revisor shall prepare a recodification of and amendments to Minnesota Statutes to give effect to sections 2 to 5 and 7 to 10 and present the recodification and amendments to the legislature no later than January 1, 1993.

Sec. 13. [EFFECTIVE DATE.]

Sections 1 to 10 are effective July 1, 1993.

## ARTICLE 2

Section 1. Minnesota Statutes 1991 Supplement, section 15A.081, subdivision 1, is amended to read:

Subdivision 1. [SALARY RANGES.] The governor shall set the salary rate within the ranges listed below for positions specified in this subdivision, upon approval of the legislative commission on employee relations and the legislature as provided by section 43A.18, subdivisions 2 and 5:



## Salary Range

Effective

July 1, 1987

## \$57,500-\$78,500

Commissioner of finance;  
Commissioner of education;  
Commissioner of transportation;  
Commissioner of human services;  
Commissioner of revenue;  
Commissioner of public safety;  
Executive director, state board of investment;  
Director of the state lottery;

## \$50,000-\$67,500

Commissioner of administration;  
Commissioner of agriculture;  
Commissioner of commerce;  
Commissioner of corrections;  
Commissioner of jobs and training;  
Commissioner of employee relations;  
Commissioner of health;  
Commissioner of labor and industry;  
Commissioner of natural resources;  
Commissioner of trade and economic development;  
Chief administrative law judge; office of administrative hearings;  
Commissioner, pollution control agency;  
Director, office of waste management;  
Commissioner, housing finance agency;  
Executive director, public employees retirement association;  
Executive director, teacher's retirement association;  
Executive director, state retirement system;  
Chair, metropolitan council;  
Chair, regional transit board;

## \$42,500-\$60,000

Commissioner of human rights;  
Commissioner, department of public service;  
Commissioner of veterans' affairs;  
Commissioner, bureau of mediation services;  
Commissioner, public utilities commission;  
Member, transportation regulation board;  
Ombudsman for corrections;  
Ombudsman for mental health and retardation;  
Member, environmental review board.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective July 1, 1993."

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, I., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2569, A bill for an act relating to state lands; providing for a private sale of certain tax-forfeited land that borders public water in Crow Wing county.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 2572, A bill for an act relating to probate; altering the definition of successors; amending Minnesota Statutes 1990, sections 353A.02, subdivision 21; 524.1-201; 524.3-303; and 524.3-308.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Anderson, I., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2577, A bill for an act relating to towns; authorizing town boards to disclaim and extinguish a town interest in abandoned town roads; amending Minnesota Statutes 1990, section 164.06.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Transportation.

The report was adopted.

Anderson, I., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2584, A bill for an act relating to the city of Red Wing; authorizing the expenditure of certain tax increment revenue.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Anderson, I., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2593, A bill for an act relating to state lands; authorizing public sale of certain tax-forfeited land that borders public water in Kandiyohi county.

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

The report was adopted.

Osthoff from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 2658, A bill for an act relating to the Yellow Medicine county hospital district; providing for hospital board membership and elections; amending Laws 1963, chapter 276, sections 2, subdivision 2, and by adding subdivisions; and 4.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 2752, A bill for an act relating to commerce; trade practices; prohibiting certain practices by recreational equipment manufacturers; proposing coding for new law in Minnesota Statutes, chapter 325E.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Vellenga from the Committee on Judiciary to which was referred:

H. F. No. 2800, A bill for an act relating to health care; providing health coverage for low-income uninsured persons; establishing statewide and regional cost containment programs; reforming requirements for health insurance companies; establishing rural health system initiatives; creating quality of care and data collection programs; revising malpractice laws; creating a health care access account; imposing taxes; appropriating money; amending Minnesota Statutes 1990, sections 43A.316, by adding a subdivision; 62A.02, subdivisions 1, 2, 3, and by adding subdivisions; 62E.11, by adding a subdivision; 62H.01; 136A.1355, subdivisions 2 and 3; 145.682, subdivision 4; 256.936, subdivisions 1, 2, 3, 4, and by adding subdivisions; and 290.01, subdivision 19b; Minnesota Statutes 1991 Supplement, sections 62A.31, subdivision 1; 145.61, subdivision 5; 145.64, subdivision 2; 256.936, subdivision 5; and 297.02, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 16A; 62A; 62E; 62J; 136A; 137; 144; 144A; 256; 256B; 295; and 604; proposing coding for new law as Minnesota Statutes, chapter 62L; repealing Minnesota Statutes 1990, sections 62A.02, subdivisions 4 and 5.

Reported the same back with the following amendments:

Page 104, line 16, after "publication" insert "of"

Page 104, line 29, delete "and work experience"

Page 104, line 30, delete everything before the semicolon

Page 110, line 30, after "was" insert "a"

Page 111, line 29, delete "and work experience"

Page 111, line 30, delete everything before the semicolon

Page 113, line 9, delete the first "and" and insert "of"

Page 116, line 27, delete "and work experience"

Page 116, line 28, delete everything before the semicolon

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

## **SECOND READING OF HOUSE BILLS**

H. F. Nos. 1416, 1692, 1744, 1761, 1818, 1843, 1860, 1875, 1892, 1943, 1969, 1988, 2046, 2103, 2106, 2137, 2185, 2186, 2187, 2189, 2269, 2313, 2318, 2377, 2388, 2397, 2438, 2465, 2475, 2476, 2551, 2564, 2572, 2658 and 2752 were read for the second time.

## **SECOND READING OF SENATE BILLS**

S. F. No. 1716 was read for the second time.

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

The following House Files were introduced:

Schreiber introduced:

H. F. No. 2808, A bill for an act relating to counties; animal control; changing authority and procedures for regulating certain dogs and cats and indemnifying livestock owners for damage by dogs; amending Minnesota Statutes 1990, sections 347.08; 347.09; 347.13; and 347.19; proposing coding for new law in Minnesota Statutes, chapters 347 and 375; repealing Minnesota Statutes 1990, sections 347.10; 347.11; 347.12; 347.14; 347.15; and 347.16.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Pelowski introduced:

H. F. No. 2809, A bill for an act relating to retirement; establishing an ambulance service personnel longevity award and incentive program; redirecting proceeds of a driver's license surtax; amending Minnesota Statutes 1991 Supplement, sections 171.06, subdivision 2b; 353D.01, subdivision 2; 353D.02; 353D.03; 353D.05, subdivisions 1 and 3; and 353D.06; proposing coding for new law as Minnesota Statutes, chapter 356B; repealing Minnesota Statutes 1991 Supplement, sections 353D.01, subdivisions 1a and 1b; 353D.021;

353D.031; 353D.051; and 353D.091; and Laws 1991, chapter 291, article 19, section 11.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Tompkins, Onnen and Stanius introduced:

H. F. No. 2810, A bill for an act relating to insurance; accident and health; regulating assignments of benefits and other claims practices; amending Minnesota Statutes 1990, sections 72A.201, subdivisions 1, 3, 4, and by adding a subdivision; and 72A.21.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Segal introduced:

H. F. No. 2811, A bill for an act relating to insurance; health; requiring use of uniform claim and billing forms and procedures; authorizing rulemaking; proposing coding for new law in Minnesota Statutes, chapter 144.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Wenzel introduced:

H. F. No. 2812, A bill for an act relating to the city of Garrison; establishing a dedicated fund to meet city expenses to pay for construction of a city sewer system; permitting a one percent local sales tax upon approval by the city council; providing for a sunset on the tax.

The bill was read for the first time and referred to the Committee on Taxes.

Milbert and O'Connor introduced:

H. F. No. 2813, A bill for an act relating to occupations and professions; board of accountancy; establishing procedures for the board to carry out disciplinary proceedings; providing penalties; amending Minnesota Statutes 1990, section 326.211, subdivision 9; proposing coding for new law in Minnesota Statutes, chapter 326; repealing Minnesota Statutes 1990, sections 326.23; and 326.231.

The bill was read for the first time and referred to the Committee on Commerce.

Seaberg introduced:

H. F. No. 2814, A bill for an act relating to professional corporations; removing certain filing and reporting requirements with the boards having jurisdiction of the professional service being rendered; amending Minnesota Statutes 1990, sections 319A.08; and 319A.18; repealing Minnesota Statutes 1990, section 319A.21.

The bill was read for the first time and referred to the Committee on Commerce.

Ogren introduced:

H. F. No. 2815, A bill for an act relating to motor vehicles; providing for the appointment of a deputy registrar in the city of McGregor.

The bill was read for the first time and referred to the Committee on Transportation.

Ogren introduced:

H. F. No. 2816, A bill for an act relating to Aitkin county; permitting a local liquor and restaurant tax.

The bill was read for the first time and referred to the Committee on Taxes.

Krinkie and Valento introduced:

H. F. No. 2817, A bill for an act relating to motor vehicles; requiring the appointment of deputy registrars at the request of governing bodies of cities under certain conditions; amending Minnesota Statutes 1990, section 168.33, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Transportation.

McGuire, Mariani, Trimble and Hasskamp introduced:

H. F. No. 2818, A bill for an act relating to crimes; automobile theft; increasing the penalty for fraudulently allowing use or possession of a certificate of title; establishing an automobile theft

prevention program; increasing penalty for falsely reporting stolen vehicles; clarifying that the theft statute encompasses disposal of property with altered serial numbers; increasing penalty for possessing or dealing in motor vehicles or parts with altered serial numbers; permitting factfinder to infer knowledge that property is stolen from existence of altered identification number; increasing penalty for insurance fraud involving false reports of stolen vehicles; requiring restitution to lawful owners and insurers of stolen motor vehicles; amending Minnesota Statutes 1990, sections 168A.30, subdivision 1; 609.505; 609.52, subdivision 2; 609.53, by adding a subdivision; 609.611; and 611A.04, by adding a subdivision; Minnesota Statutes 1991 Supplement, section 609.52, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 168A.

The bill was read for the first time and referred to the Committee on Judiciary.

McEachern and Bauerly introduced:

H. F. No. 2819, A bill for an act relating to state departments; requiring that state agencies eliminate 20 percent of certain unclassified positions.

The bill was read for the first time and referred to the Committee on Appropriations.

Knickerbocker, Sarna, McPherson, Thompson and Haukoos introduced:

H. F. No. 2820, A bill for an act relating to retirement; giving employing units an option on the rule of 85; proposing coding for new law in Minnesota Statutes, chapter 356; repealing Minnesota Statutes 1990, section 356.70.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Olsen, S.; Seaberg; Pauly; Henry and Uphus introduced:

H. F. No. 2821, A bill for an act proposing an amendment to the Minnesota Constitution to provide for a unicameral legislature; changing article IV; article V, sections 3 and 5; article VIII, section 1; article IX, sections 1 and 2; and article XI, section 5; providing by law for a unicameral legislature of 135 members; amending Minnesota Statutes 1990, sections 2.021; and 2.031, subdivision 1.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.



Hanson, Solberg, Jennings and Sviggum introduced:

H. F. No. 2822, A bill for an act relating to commerce; defining the responsibilities of ski area operators and skiers; defining the rights and liabilities between skiers and between a skier and a ski area operator; proposing coding for new law as Minnesota Statutes, chapter 86C.

The bill was read for the first time and referred to the Committee on Commerce.

McPherson, Weaver, Valento and Newinski introduced:

H. F. No. 2823, A bill for an act relating to the environment; providing that diesel-powered motor vehicles that are exempt from testing may verify the exemption at the place of registration rather than at a testing station; amending Minnesota Statutes 1990, section 116.61, subdivision 1.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Janezich; Munger; O'Connor; Anderson, I., and Schreiber introduced:

H. F. No. 2824, A bill for an act relating to aquaculture; requiring an environmental impact statement before certain aquaculture permits may be issued; proposing coding for new law in Minnesota Statutes, chapter 17.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Runbeck; Johnson, A.; Simoneau; Milbert and Morrison introduced:

H. F. No. 2825, A bill for an act relating to manufactured homes; enacting the manufactured home owners bill of rights; providing penalties; amending Minnesota Statutes 1990, sections 327.16, subdivision 3; 327C.01, subdivision 1, and by adding a subdivision; 327C.02, subdivision 1, and by adding subdivisions; 327C.04, subdivision 3; 327C.05, subdivisions 1, 2, and by adding subdivisions; and 327C.07, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 327C; repealing Minnesota Statutes 1990, sections 327C.02, subdivisions 2a, 3, 4, and 5; 327C.03; 327C.06; 327C.07, subdivisions 1, 2, 3, 4, 5, 6, 7, and 8; 327C.08; 327C.09; 327C.10; 327C.11; 327C.12; 327C.13; 327C.14; and

327C.15; and Minnesota Statutes 1991 Supplement, section 327C.06.

The bill was read for the first time and referred to the Committee on Housing.

Koppendrayner, Abrams, Krambeer, Dawkins and Clark introduced:

H. F. No. 2826, A bill for an act relating to state government; increasing the size of the council on Asian-Pacific Minnesotans; providing for representation of various Asian-Pacific communities on the council; amending Minnesota Statutes 1991 Supplement, section 3.9226, subdivision 1.

The bill was read for the first time and referred to the Committee on Governmental Operations.

O'Connor, Sarna and Johnson, R., introduced:

H. F. No. 2827, A bill for an act relating to public safety officers; defining firefighters for purposes of the public safety officer's survivor benefits law; providing education benefits under the survivor law to eligible dependents attending technical colleges; amending Minnesota Statutes 1990, section 299A.41, subdivision 4; Minnesota Statutes 1991 Supplement, section 299A.45, subdivision 1.

The bill was read for the first time and referred to the Committee on Governmental Operations.

O'Connor, Sarna, McEachern, Jefferson and Ogren introduced:

H. F. No. 2828, A resolution memorializing Congress to allow states to regulate bank interest rates on unsecured debt.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Dille, Cooper and Schafer introduced:

H. F. No. 2829, A bill for an act relating to local government; city of Hutchinson; providing for the adoption by the city of a special service district.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Omann, Bauerly, Bertram, Uphus and Wenzel introduced:

H. F. No. 2830, A bill for an act relating to agriculture; providing assistance to legal challenges of certain aspects of the federal milk marketing order system; appropriating money.

The bill was read for the first time and referred to the Committee on Agriculture.

Pellow, Swenson, Welker, Begich and Carruthers introduced:

H. F. No. 2831, A bill for an act relating to crimes; requiring a mandatory minimum term of five years for persons convicted of theft of a motor vehicle; amending Minnesota Statutes 1990, section 609.52, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Judiciary.

Simoneau, Dille, Kahn and Johnson, V., introduced:

H. F. No. 2832, A bill for an act relating to agriculture; providing requirements for discharges from aquatic farms; requiring permits; requiring monitoring; proposing coding for new law in Minnesota Statutes, chapter 17; repealing Minnesota Statutes 1991 Supplement, section 17.498.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

O'Connor, Ogren, Koppendrayner, Sarna and Hausman introduced:

H. F. No. 2833, A bill for an act relating to the local government trust fund; providing for payment from the fund for fiscal years 1994 and 1995; appropriating money.

The bill was read for the first time and referred to the Committee on Taxes.

Dorn; Pelowski; Nelson, K.; Olsen, S., and Ostrom introduced:

H. F. No. 2834, A bill for an act relating to education; allowing independent school district No. 77, Mankato, to start school before Labor Day in 1992.

The bill was read for the first time and referred to the Committee on Education.

Sviggum and Boo introduced:

H. F. No. 2835, A bill for an act relating to the city of Roseau; authorizing the establishment of a detached banking facility under certain conditions.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

O'Connor introduced:

H. F. No. 2836, A bill for an act relating to the legislature; declaring a state policy for children, youth, and their families; amending the responsibilities of the legislative commission on children, youth, and their families; appropriating money; amending Minnesota Statutes 1991 Supplement, section 3.873, subdivisions 1, 4, 5, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Tompkins, by request, introduced:

H. F. No. 2837, A bill for an act relating to local government; city special service districts; providing that special services be defined in the city's ordinance; amending Minnesota Statutes 1990, section 428A.01, subdivision 3.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Tompkins, by request, introduced:

H. F. No. 2838, A bill for an act relating to utilities; authorizing municipalities to enter into franchise agreements with telephone companies; amending Minnesota Statutes 1990, section 237.16, subdivision 1, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Dille; Anderson, R. H.; Pellow; Thompson and Jaros introduced:

H. F. No. 2839, A bill for an act relating to education; requiring a plan to make the University of Minnesota law school self-supporting.

The bill was read for the first time and referred to the Committee on Education.

Seaberg introduced:

H. F. No. 2840, A bill for an act relating to consumer protection; regulating contracts for solid waste collection services; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 325F.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Bauerly, McEachern, Vanasek, Welle and Simoneau introduced:

H. F. No. 2841, A bill for an act relating to retirement; Minnesota state employment system and teachers retirement association; providing for early retirement reserves and incentives to encourage early retirement of state employees and teachers; proposing coding for new law in Minnesota Statutes, chapters 352 and 354.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Pelowski; Munger; Waltman; Johnson, V., and Sviggum introduced:

H. F. No. 2842, A bill for an act relating to state trails; establishing a Southeast Blufflands Trail System in southeastern Minnesota; amending Minnesota Statutes 1990, section 85.015, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Mariani, Hanson, Dawkins and Trimble introduced:

H. F. No. 2843, A bill for an act relating to transportation; abolishing transportation regulation board and transferring regulatory responsibilities for motor carriers and common carriers by rail to department of transportation; amending Minnesota Statutes 1990, sections 174.02, subdivision 4; 174.10; 218.041, subdivision 8; 219.39; 221.022; 221.161, subdivision 1; 221.185, subdivision 5a; 221.221, subdivision 2; 221.295; and 222.633; Minnesota Statutes 1991 Supplement, sections 15A.081, subdivision 1; and 174.03, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 174; repealing Minnesota Statutes 1990, sections 174A.01;

174A.02; 174A.03; 174A.04; 174A.05; 174A.06; 218.011, subdivision 7; 221.011, subdivision 2b; and 221.0315.

The bill was read for the first time and referred to the Committee on Transportation.

Winter and Skoglund introduced:

H. F. No. 2844, A bill for an act relating to insurance; requiring an arbitration ruling before termination of no-fault economic loss benefits; amending Minnesota Statutes 1990, section 65B.54, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Pugh and Milbert introduced:

H. F. No. 2845, A bill for an act relating to lawful gambling; regulating the destruction of pull-tabs removed from play; proposing coding for new law in Minnesota Statutes, chapter 349.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Bettermann, Uphus, Krueger, Bauerly and Abrams introduced:

H. F. No. 2846, A bill for an act relating to education; appropriating money for the Runestone telecommunications system.

The bill was read for the first time and referred to the Committee on Education.

Bettermann, Uphus, Krueger, Bauerly and Abrams introduced:

H. F. No. 2847, A bill for an act relating to capital improvements; authorizing the issuance of state bonds for the Runestone telecommunications system; appropriating money.

The bill was read for the first time and referred to the Committee on Education.

Reding, Simoneau, Knickerbocker, Begich and Haukoos introduced:

H. F. No. 2848, A bill for an act relating to state government;

ratifying labor agreements; providing for classification changes for certain employees; requiring a report to the legislature; amending Minnesota Statutes 1990, section 21.85, subdivision 2; Minnesota Statutes 1991 Supplement, sections 43A.08, subdivisions 1 and 1a; and 349A.02, subdivision 4.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Simoneau, Battaglia and Murphy introduced:

H. F. No. 2849, A bill for an act relating to state parks; authorizing the commissioner of natural resources to negotiate a special fee structure for the Split Rock Lighthouse state historic site within Split Rock Lighthouse state park; amending Minnesota Statutes 1990, section 85.053, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Segal introduced:

H. F. No. 2850, A bill for an act relating to human services; requiring the commissioner to develop a plan for using regional treatment centers as regional research, training, and crisis centers.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Segal introduced:

H. F. No. 2851, A bill for an act relating to education; establishing a physician assistant loan forgiveness program; establishing a physician assistant training program; requiring a study; appropriating money; proposing coding for new law in Minnesota Statutes, chapters 136A; and 137.

The bill was read for the first time and referred to the Committee on Education.

Frederick introduced:

H. F. No. 2852, A bill for an act relating to intoxicating liquor; authorizing Blue Earth county to issue an on-sale license to a billiard hall in the county.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Cooper and Bertram introduced:

H. F. No. 2853, A bill for an act relating to agriculture; changing requirements for pesticide registration applications; amending Minnesota Statutes 1990, section 18B.26, subdivision 2.

The bill was read for the first time and referred to the Committee on Agriculture.

Janezich and O'Connor introduced:

H. F. No. 2854, A bill for an act relating to the city of Hibbing; providing for membership terms for the Hibbing public safety commission; providing for the size of the public utilities commission; providing for its compensation; amending Laws 1949, chapter 422, section 2, as amended.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Sparby; Johnson, V.; Stanius and Krueger introduced:

H. F. No. 2855, A bill for an act relating to agriculture; regulating aquatic farming; protecting certain wildlife populations; imposing civil penalties; amending Minnesota Statutes 1990, sections 97C.203; 97C.211, subdivision 1; 97C.301, by adding a subdivision; 97C.345, subdivision 4; 97C.391; 97C.505, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 17; repealing Minnesota Statutes 1990, section 97C.209.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Krambeer, Bettermann, Smith, Limmer and Newinski introduced:

H. F. No. 2856, A bill for an act relating to state employees; requiring that certain frequent flyer benefits accrue to the state; proposing coding for new law in Minnesota Statutes, chapter 16B.

The bill was read for the first time and referred to the Committee on Governmental Operations.



Greenfield, Murphy and Anderson, R., introduced:

H. F. No. 2857, A bill for an act relating to human services; establishing nursing facility property reimbursement; amending Minnesota Statutes 1990, sections 246B.41, subdivision 2; 256B.421, subdivision 1; and 256B.431, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 256B; repealing Minnesota Statutes 1990, section 256B.431, subdivisions 3, 3a, 3b, 3c, 3d, 3g, 3h, 3i, and 3j; Minnesota Statutes 1991 Supplement, section 256B.431, subdivision 3f; Minnesota Rules, part 9549.0060, subparts 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, and 13.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Greenfield introduced:

H. F. No. 2858, A bill for an act relating to human services; expanding provider surcharges to include providers not participating in the medical assistance program; modifying provider reimbursement rates; amending Minnesota Statutes 1990, sections 256B.431, subdivision 2i, and by adding a subdivision; and 256B.48, subdivision 1b, and by adding a subdivision; Minnesota Statutes 1991 Supplement, sections 144A.071, subdivisions 3 and 3a; 256.9656; 256.9657, subdivisions 1, 2, 3, 4, 7, and by adding a subdivision; 256.969, subdivisions 1, 9, 20, and 21; 256B.431, subdivision 3f; and 256B.74, subdivisions 1 and 3; repealing Minnesota Statutes 1991 Supplement, sections 256.9657, subdivision 5; 256B.74, subdivisions 8 and 9; and Laws 1991, chapter 292, article 4, section 77.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Greenfield, Murphy and Anderson, R., introduced:

H. F. No. 2859, A bill for an act relating to human services; revising requirements for collecting fees from recipients of alternative care services; amending Minnesota Statutes 1991 Supplement, section 256B.0913, subdivision 12.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Davids, Hufnagle, Jennings, Valento and Runbeck introduced:

H. F. No. 2860, A bill for an act relating to human services; requiring the commissioner to seek federal approval to modify the

community-based services waiver program for disabled individuals to allow alternative approaches for attributing income and assets to each spouse when only one spouse is potentially eligible for medical assistance.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Dawkins introduced:

H. F. No. 2861, A bill for an act relating to economic development; providing a grant for small business assistance; appropriating money.

The bill was read for the first time and referred to the Committee on Economic Development.

Tunheim, Lasley and Lieder introduced:

H. F. No. 2862, A bill for an act relating to taxation; exempting the value of modifications necessary to make a motor vehicle accessible to disabled persons; amending Minnesota Statutes 1990, section 297B.01, subdivision 8.

The bill was read for the first time and referred to the Committee on Taxes.

Schreiber introduced:

H. F. No. 2863, A bill for an act relating to taxation; property tax relief; changing the funding and payment of certain aids to local governments; requiring a study by the advisory commission on intergovernmental relations; appropriating money; amending Minnesota Statutes 1990, sections 473H.10, subdivision 3; and 477A.015; Minnesota Statutes 1991 Supplement, sections 3.862, subdivision 3; 16A.711, subdivisions 1, 3, and 4; 477A.0132; and 477A.014, subdivision 1a; proposing coding for new law in Minnesota Statutes, chapter 16A; repealing Laws 1991, chapter 291, article 2, section 3.

The bill was read for the first time and referred to the Committee on Taxes.

Runbeck, Stanius, Valento and McGuire introduced:

H. F. No. 2864, A bill for an act relating to taxation; allowing Ramsey county to levy an additional amount for innovative library

activities; amending Minnesota Statutes 1990, section 383A.03, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Girard and Steensma introduced:

H. F. No. 2865, A bill for an act relating to capital improvements; appropriating money for the southern Minnesota rivers basin area II program; authorizing the sale of state bonds.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Pugh and Greenfield introduced:

H. F. No. 2866, A bill for an act relating to human services; establishing a pilot project for downsizing intermediate care facilities for persons with mental retardation in Dakota county; appropriating money.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Simoneau, Sparby, Bertram, Frerichs and Schafer introduced:

H. F. No. 2867, A bill for an act relating to drivers' licenses; increasing fees; appropriating money; amending Minnesota Statutes 1990, section 171.06, subdivision 2.

The bill was read for the first time and referred to the Committee on Appropriations.

Dorn, Rodosovich and Boo introduced:

H. F. No. 2868, A bill for an act relating to the department of jobs and training; modifying the duties of the commissioner; removing a council's expiration date; amending Minnesota Statutes 1990, sections 248.07, subdivisions 1 and 5; and 248.10, subdivision 2.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Begich; Rukavina; Battaglia; Anderson, I., and Beard introduced:

H. F. No. 2869, A resolution memorializing the President and Congress to recognize Labor Day 1992 as "Help Yourself, Buy American Day."

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Trimble introduced:

H. F. No. 2870, A bill for an act relating to the state fire marshal; providing for fire-safe cigarettes; imposing a penalty; proposing coding for new law in Minnesota Statutes, chapter 299F.

The bill was read for the first time and referred to the Committee on Commerce.

Uphus, Smith, Heir, McPherson and Leppik introduced:

H. F. No. 2871, A bill for an act relating to the legislature; regulating its budgets and accounts; proposing coding for new law in Minnesota Statutes, chapter 3.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Swenson, Omann, Davids, Koppendrayner and Krinkie introduced:

H. F. No. 2872, A bill for an act relating to the legislature; regulating its budgets and accounts; proposing coding for new law in Minnesota Statutes, chapter 3.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Knickerbocker, Heir, Hugoson and Schafer introduced:

H. F. No. 2873, A bill for an act proposing an amendment to the Minnesota Constitution, article IV, section 4, and article V, sections 2 and 4; placing limits on the terms of office of legislators and executive officers.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Marsh; Smith; Anderson, R. H.; Leppik and Krinkie introduced:

H. F. No. 2874, A bill for an act relating to elections; campaign finance; prohibiting certain caucus fundraisers during legislative sessions; prohibiting the transfer of funds from one candidate's principal campaign committee to another candidate's principal campaign committee; prohibiting the formation of more than one campaign committee by a candidate; requiring that recipients of public subsidies agree to raise at least one-half of private contributions from individual constituents; amending Minnesota Statutes 1990, sections 10A.14, subdivision 2; 10A.19, subdivision 1; 10A.27, subdivision 9; 10A.322, by adding a subdivision; and 10A.323; Minnesota Statutes 1991 Supplement, sections 10A.065, subdivisions 1 and 5; and 10A.324, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 10A.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Pelowski, Goodno, Bertram, Girard and Dorn introduced:

H. F. No. 2875, A bill for an act relating to education; providing for consumer protection for SELF student loan recipients; proposing coding for new law in Minnesota Statutes, chapter 136A.

The bill was read for the first time and referred to the Committee on Education.

Sarna introduced:

H. F. No. 2876, A bill for an act relating to trade regulations; providing for the calculation of late payment charges by cable and subscription television companies; proposing coding for new law in Minnesota Statutes, chapter 238.

The bill was read for the first time and referred to the Committee on Commerce.

Lourey introduced:

H. F. No. 2877, A bill for an act relating to cemeteries; providing for burials in the winter season; proposing coding for new law in Minnesota Statutes, chapter 306.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Munger, Lourey, Ogren, Koppendrayner and Wenzel introduced:

H. F. No. 2878, A bill for an act relating to economic development; authorizing the establishment of the Mille Lacs preservation and development board; providing for the designation of enterprise zones; proposing coding for new law in Minnesota Statutes, chapter 103F.

The bill was read for the first time and referred to the Committee on Economic Development.

Rukavina, Begich, Battaglia and Janezich introduced:

H. F. No. 2879, A bill for an act relating to natural resources; requiring that iron mines and production facilities be maintained in salable operating condition; proposing coding for new law in Minnesota Statutes, chapter 93.

The bill was read for the first time and referred to the Committee on Commerce.

Olson, E.; Peterson; Winter; Steensma and Brown introduced:

H. F. No. 2880, A bill for an act relating to taxation; property; authorizing counties to levy amounts for soil and water conservation district programs; amending Minnesota Statutes 1990, sections 103B.241; 103B.255, by adding a subdivision; and 103B.335; Minnesota Statutes 1991 Supplement, section 275.50, subdivision 5.

The bill was read for the first time and referred to the Committee on Taxes.

O'Connor introduced:

H. F. No. 2881, A bill for an act relating to motor vehicles; consumer protection; requiring disclosure of national origin or assembly of new motor vehicles and parts; imposing penalties; proposing coding for new law in Minnesota Statutes, chapter 325F.

The bill was read for the first time and referred to the Committee on Commerce.

Frederick introduced:

H. F. No. 2882, A bill for an act relating to education; adding independent school district No. 2071, Lake Crystal-Wellcome Memo-

rial, to those districts with certain additional capital bonding authority; amending Laws 1991, chapter 265, article 5, section 18.

The bill was read for the first time and referred to the Committee on Education.

Anderson, R., introduced:

H. F. No. 2883, A bill for an act relating to libraries; authorizing an advisory referendum for a library district in part of independent school district No. 544.

The bill was read for the first time and referred to the Committee on Education.

Rest introduced:

H. F. No. 2884, A bill for an act relating to bond allocation; changing procedures for allocating bonding authority; amending Minnesota Statutes 1991 Supplement, sections 474A.03, subdivision 4; 474A.061, subdivision 1; and 474A.091, subdivisions 2 and 3.

The bill was read for the first time and referred to the Committee on Taxes.

Thompson; Anderson, R.; Battaglia; Kinkel and Krueger introduced:

H. F. No. 2885, A bill for an act relating to agriculture; making political subdivisions of the state eligible for reimbursement from the agricultural chemical response and reimbursement account; amending Minnesota Statutes 1990, section 18E.02, subdivision 5.

The bill was read for the first time and referred to the Committee on Agriculture.

Sparby, Reding, Brown, Munger and Stanius introduced:

H. F. No. 2886, A bill for an act relating to wildlife; shining of lights during certain hours; amending Minnesota Statutes 1990, section 97B.081, subdivision 2.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

McPherson and Gutknecht introduced:

H. F. No. 2887, A bill for an act relating to lawful gambling; specifying organizations eligible to conduct lawful gambling without a license from the gambling control board; amending Minnesota Statutes 1990, section 349.166, subdivision 2.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Pauly and Lynch introduced:

H. F. No. 2888, A bill for an act relating to natural resources; disposition of certain receipts by the commissioner; amending Minnesota Statutes 1991 Supplement, section 84.0855.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Pugh introduced:

H. F. No. 2889, A bill for an act relating to data practices; authorizing government agencies to charge the market rate for the release of certain public data for commercial purposes; allowing individuals to request that data not be released for commercial purposes; amending Minnesota Statutes 1990, sections 13.02, by adding a subdivision; 13.03, by adding a subdivision; and 13.04, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Judiciary.

Ogren introduced:

H. F. No. 2890, A bill for an act relating to occupations and professions; amending the examination procedure for licensing optometrists; amending Minnesota Statutes 1990, section 148.57, subdivision 1.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Farrell and Koppendrayner introduced:

H. F. No. 2891, A bill for an act relating to commerce; unclaimed property; providing for the recovery of property by others; amending Minnesota Statutes 1991 Supplement, section 345.485.



The bill was read for the first time and referred to the Committee on Commerce.

Bauerly introduced:

H. F. No. 2892, A bill for an act relating to education; requiring a school breakfast program be operated in certain schools; amending Minnesota Statutes 1991 Supplement, section 124.6472, subdivision 1.

The bill was read for the first time and referred to the Committee on Education.

Erhardt, Macklin, Rest and Blatz introduced:

H. F. No. 2893, A bill for an act relating to the human rights act; prohibiting certain discrimination by hotels on the basis of age; amending Minnesota Statutes 1990, sections 363.01, subdivision 3; and 363.03, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Judiciary.

Osthoff introduced:

H. F. No. 2894, A bill for an act relating to taxation; imposing a tax on certain lawful gambling activities; recodifying certain provisions related to lawful gambling; imposing penalties; amending Minnesota Statutes 1990, sections 270.101, subdivision 1; 349.163, subdivision 5; 349.2123; 349.2125, subdivision 1; 349.2127, subdivision 3; and 349.22, subdivision 1; proposing coding for new law as Minnesota Statutes, chapter 297E; repealing Minnesota Statutes 1990, sections 349.166, subdivision 4; 349.212, as amended; 349.2121; 349.2122; 349.215; 349.2151; 349.2152; 349.216; 349.217; 349.2171; 349.218; and 349.219; and Minnesota Statutes 1991 Supplement, section 349.19, subdivision 9.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Olson, K., introduced:

H. F. No. 2895, A bill for an act relating to state lands; authorizing the sale of surplus land bordering public waters for public use.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Brown, O'Connor and Bodahl introduced:

H. F. No. 2896, A bill for an act relating to crimes; increasing the distance an accused or convicted person may be transferred without an escort of the same sex; amending Minnesota Statutes 1990, section 631.412.

The bill was read for the first time and referred to the Committee on Judiciary.

Brown, Janezich, Reding and Trimble introduced:

H. F. No. 2897, A bill for an act relating to state government; prohibiting the attorney general from assessing political subdivisions for legal services rendered to them in criminal prosecutions; amending Minnesota Statutes 1991 Supplement, section 8.15.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Runbeck introduced:

H. F. No. 2898, A bill for an act relating to retirement; public employees retirement association; providing a refund to a member on medical leave.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Rodosovich, Boo and Murphy introduced:

H. F. No. 2899, A bill for an act relating to human services; transferring certain mental health grant funds to the community social services block grant; authorizing counties to consolidate funds for mental health services; proposing coding for new law in Minnesota Statutes, chapter 256E; repealing Minnesota Statutes 1990, sections 245.73; and 256E.12, subdivisions 1, 2, and 3; Minnesota Statutes 1991 Supplement, section 256E.12, subdivision 4.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Nelson, K., introduced:

H. F. No. 2900, A bill for an act relating to consumer protection; trade regulations; prohibiting commercial telephone solicitation of residential subscribers who elect to not be solicited; setting a fee;

imposing a penalty; proposing coding for new law in Minnesota Statutes, chapter 325G.

The bill was read for the first time and referred to the Committee on Commerce.

Simoneau introduced:

H. F. No. 2901, A bill for an act relating to the city of Columbia Heights; exclusions from salary in computing police relief association retirement benefits; amending Laws 1977, chapter 374, section 8, subdivision 1.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Krueger, Ogren, Hugoson, Abrams and Kahn introduced:

H. F. No. 2902, A bill for an act relating to education; requiring metric literacy training for teachers; appropriating money.

The bill was read for the first time and referred to the Committee on Education.

Segal introduced:

H. F. No. 2903, A bill for an act relating to economic development; creating a manufacturing council in Minnesota Technology, Inc.; amending Minnesota Statutes 1990, section 116O.05, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Economic Development.

O'Connor, McEachern, Girard and Bettermann introduced:

H. F. No. 2904, A bill for an act relating to commerce; changing the penalty for selling tobacco to a child; adding a penalty for the purchase of or an attempt to purchase tobacco by a child; amending Minnesota Statutes 1990, section 609.685, subdivisions 1a and 3.

The bill was read for the first time and referred to the Committee on Commerce.

Schafer introduced:

H. F. No. 2905, A bill for an act relating to education; modifying the system for funding K-12 education and realigning responsibilities for governing schools between the state and local school boards; reducing funding for certain aids; reducing the general education tax rate; amending Minnesota Statutes 1991 Supplement, sections 124A.03, subdivision 1c; 124A.04, subdivision 2; and 124A.23, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 477A; repealing Minnesota Statutes 1991 Supplement, section 124A.03, subdivision 1d.

The bill was read for the first time and referred to the Committee on Education.

Schafer introduced:

H. F. No. 2906, A bill for an act relating to education; allowing independent school district No. 424, Lester Prairie, to make a fund transfer.

The bill was read for the first time and referred to the Committee on Education.

Schafer introduced:

H. F. No. 2907, A bill for an act relating to retirement; permitting school boards in combining and consolidating districts to pay for health insurance for certain retired administrators; increasing retirement benefits for certain retired administrators in combining and consolidating school districts; amending Minnesota Statutes 1990, sections 275.125, by adding a subdivision; and 354.44, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 122.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Uphus, Bettermann, Swenson, Limmer and Schafer introduced:

H. F. No. 2908, A bill for an act relating to elections; campaign finance; prohibiting certain caucus fundraisers during legislative sessions; prohibiting the transfer of funds from one candidate's principal campaign committee to another candidate's principal campaign committee; prohibiting the formation of more than one campaign committee by a candidate; requiring that recipients of public subsidies agree to raise at least one-half of private contributions from individual constituents; amending Minnesota Statutes

1990, sections 10A.14, subdivision 2; 10A.19, subdivision 1; 10A.27, subdivision 9; 10A.322, by adding a subdivision; and 10A.323; Minnesota Statutes 1991 Supplement, sections 10A.065, subdivisions 1 and 5; and 10A.324, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 10A.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Waltman and Beard introduced:

H. F. No. 2909, A bill for an act relating to the military; authorizing the adjutant general to lease certain land; amending Minnesota Statutes 1990, section 190.25, subdivision 1.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Jennings introduced:

H. F. No. 2910, A bill for an act relating to the environment; providing that a public information meeting must be held before a sanitary district may be created; providing for a hearing; amending Minnesota Statutes 1990, sections 115.19; and 115.20, subdivisions 1, 2, 3, 4, 5, and 6.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Olsen, S.; Omann; Leppik; Anderson, R. H., and Weaver introduced:

H. F. No. 2911, A bill for an act relating to crime; proposing the safe communities act of 1992; increasing penalties for violent crimes; enhancing protections for crime victims; providing measures to assist in the enforcement of criminal laws and the supervision of offenders; authorizing the commissioner of public safety to award emergency anti-crime initiatives grants; providing for anti-violence education and prevention programs; proposing a variety of changes to the felony sentencing system; eliminating "good time" reductions in prison sentences; increasing and imposing new penalties on DWI offenders; increasing treatment and correctional resources for juvenile offenders; improving the operation of the psychopathic personality commitment law; establishing task forces to study ways of improving the criminal records system, the juvenile justice system, and the data practices laws; authorizing state bonds to expand the Minnesota security hospital for psychopathic personality commitments and to permit secure confinement of juveniles at the Minne-

sota correctional facility-Red Wing; appropriating money and raising fees to fund anti-crime initiatives and other criminal justice system needs; appropriating money; amending Minnesota Statutes 1990, sections 8.01; 8.15; 16A.531, by adding a subdivision; 125.05, subdivision 2; 135A.15; 168.042, subdivisions 2 and 4; 169.121, subdivisions 3, 3a, 3c, 4, and 5; 169.123, subdivision 4; 204B.36, subdivision 4; 241.67, subdivisions 3, and by adding a subdivision; 242.195, subdivision 1; 243.53; 244.01, subdivision 8; 244.03; 244.04, subdivisions 1 and 3; 244.05, subdivisions 1, 4, 5, and by adding subdivisions; 244.09, by adding a subdivision; 259.11; 270A.03, subdivision 5; 488A.021, subdivision 3; 488A.19, subdivision 3; 595.02, subdivision 4; 609.033; 609.0341; 609.10; 609.101, by adding a subdivision; 609.115, subdivision 1a; 609.125; 609.135, subdivision 5; 609.152, subdivision 3; 609.19; 609.224, subdivision 2; 609.346, subdivisions 2, 2a, and by adding subdivisions; 609.531, subdivision 6a; 609.5312, subdivision 1; 611A.52, subdivision 6; 624.714, subdivisions 1, 7 and by adding subdivision; 630.36, subdivision 1, and by adding a subdivision; 631.035; 631.07; Minnesota Statutes 1991 Supplement, sections 121.88, subdivision 10; 125.185, subdivision 4a; 169.123, subdivision 2; 171.29, subdivision 2; 171.30, subdivision 2a; 243.166, subdivision 1; 259.10; 260.125, subdivision 3; 260.161, subdivision 3; 518B.01, subdivision 14; 609.531, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 126; 169; 244; 256F; 290; 299A; 526; 609; 611A; 617; and 626; repealing Minnesota Statutes 1990, section 204B.36, subdivision 5.

The bill was read for the first time and referred to the Committee on Judiciary.

Vellenga introduced:

H. F. No. 2912, A bill for an act relating to taxation; extending the class 4a classification to property leased under certain lease-purchase programs; amending Minnesota Statutes 1991 Supplement, section 273.13, subdivision 25, as amended.

The bill was read for the first time and referred to the Committee on Taxes.

Rodosovich, Greenfield, Kelso, Gruenes and Leppik introduced:

H. F. No. 2913, A bill for an act relating to human services; providing for HIV minimum standards; providing for HIV training in chemical dependency treatment programs; expanding exclusion from licensure; providing for integration of residential programs; delegating authority to enforce uniform fire code; setting adult foster care license capacity; amending Minnesota Statutes 1990, sections 245A.02, by adding a subdivision; 245A.07, subdivisions 2

and 3; 245A.11; and 299F.011, subdivision 4a; Minnesota Statutes 1991 Supplement, sections 245A.03, subdivision 2; 245A.04, subdivision 3; and 245A.16, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 245A; repealing Minnesota Statutes 1990, sections 245A.11, subdivision 5; 245A.14, subdivision 5; and 245A.17.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Ozment, Newinski and Heir introduced:

H. F. No. 2914, A bill for an act relating to manufactured homes; enacting the manufactured home owners bill of rights; providing penalties; amending Minnesota Statutes 1990, sections 327.16, subdivision 3; 327C.01, subdivision 1, and by adding a subdivision; 327C.02, subdivision 1, and by adding subdivisions; 327C.04, subdivision 3; 327C.05, subdivisions 1, 2, and by adding subdivisions; and 327C.07, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 327C; repealing Minnesota Statutes 1990, sections 327C.02, subdivisions 2a, 3, 4, and 5; 327C.03; 327C.06; 327C.07, subdivisions 1, 2, 3, 4, 5, 6, 7, and 8; 327C.08; 327C.09; 327C.10; 327C.11; 327C.12; 327C.13; 327C.14; and 327C.15; and Minnesota Statutes 1991 Supplement, section 327C.06.

The bill was read for the first time and referred to the Committee on Housing.

Tompkins, Frerichs, Waltman, Murphy and Kinkel introduced:

H. F. No. 2915, A bill for an act relating to taxation; individual income; allowing an increased personal exemption for dependents; allowing deductions for two-wage earner married couples, post-secondary tuition, and interest on student loans; combining the rate schedules for married joint and head of household filers; amending Minnesota Statutes 1990, section 290.01, subdivision 19b; Minnesota Statutes 1991 Supplement, section 290.06, subdivision 2c.

The bill was read for the first time and referred to the Committee on Taxes.

Segal introduced:

H. F. No. 2916, A bill for an act relating to human services; clarifying ombudsman access to private data on mentally ill and emotionally disturbed clients; amending Minnesota Statutes 1990, section 245.94, subdivision 1.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Kinkel introduced:

H. F. No. 2917, A bill for an act relating to education; placing limits on credits for baccalaureate degrees.

The bill was read for the first time and referred to the Committee on Education.

Segal introduced:

H. F. No. 2918, A bill for an act relating to health maintenance organizations; requiring that enrollees not be liable for referral errors by participating providers; amending Minnesota Statutes 1990, section 62D.12, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Carruthers, Farrell and Lourey introduced:

H. F. No. 2919, A bill for an act relating to education; postsecondary; regulating eligibility for state grants for higher education; repealing Minnesota Statutes 1991 Supplement, section 136A.101, subdivisions 7a and 7b.

The bill was read for the first time and referred to the Committee on Education.

Sarna introduced:

H. F. No. 2920, A bill for an act relating to taxation; allowing municipalities to impose a tax on cable television services; proposing coding for new law in Minnesota Statutes, chapter 238.

The bill was read for the first time and referred to the Committee on Taxes.

Bishop and Vellenga were excused for the remainder of today's session.



**CONSENT CALENDAR**

H. F. No. 1763 was reported to the House.

Rodosovich moved to amend H. F. No. 1763, as follows:

Delete everything after the enacting clause and insert:

“Section 1. [CONVEYANCE OR RELEASE OF EASEMENT.]

Notwithstanding Minnesota Statutes, sections 94.09 to 94.16, or any other law, the commissioner of administration, on behalf of the state of Minnesota, shall release and terminate the state's interest in an easement in and use of certain land subject to the easement in accordance with this section.

The interest must be released and terminated without monetary consideration and in a form approved by the attorney general. The release document need not contain the names of the owners of or other persons with interests in property affected by the release. The release document shall be accepted for record.

The interest to be released and terminated is in land in the West 1/2 of the SE 1/4 of Section 32 Township 110 North Range 20 West in the city of Faribault, Rice county, and is an easement recorded in book 48 of deeds on pages 490 and 491, filed November 1, 1882.

The easement is no longer used or needed by the state of Minnesota and a release of the easement is necessary to clear objections to title to property in Faribault, Rice county, Minnesota.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment.”

The motion prevailed and the amendment was adopted.

H. F. No. 1763, A bill for an act relating to state lands; authorizing the conveyance or release of a state easement in Faribault.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frerichs	Kinkel	Ogren	Simoneau
Anderson, I.	Garcia	Knickerbocker	Olsen, S.	Skoglund
Anderson, R.	Girard	Koppendrayer	Olson, E.	Smith
Anderson, R. H.	Goodno	Krambeer	Olson, K.	Solberg
Battaglia	Greenfield	Krinkie	Omann	Sparby
Bauerly	Gruenes	Krueger	Onnen	Stanius
Beard	Gutknecht	Lasley	Orenstein	Steensma
Begich	Hartle	Leppik	Orfield	Sviggum
Bertram	Hasskamp	Lieder	Ostrom	Swenson
Bettermann	Haukoos	Limmer	Ozment	Thompson
Blatz	Hausman	Lourey	Pauly	Tompkins
Bodahl	Heir	Lynch	Pellow	Trimble
Boo	Henry	Macklin	Pelowski	Tunheim
Carlson	Hufnagle	Mariani	Peterson	Uphus
Carruthers	Hugoson	Marsh	Pugh	Valento
Clark	Jacobs	McEachern	Reding	Vanasek
Cooper	Janezich	McGuire	Rest	Wagenius
Dauner	Jaros	McPherson	Rice	Waltman
Dauids	Jefferson	Milbert	Rodosovich	Weaver
Dawkins	Jennings	Morrison	Rukavina	Wejzman
Dempsey	Johnson, A.	Munger	Runbeck	Welker
Dille	Johnson, R.	Murphy	Sarna	Welle
Dorn	Johnson, V.	Nelson, K.	Schafer	Wenzel
Erhardt	Kahn	Nelson, S.	Schreiber	Winter
Farrell	Kalis	Newinski	Seaberg	Spk. Long
Frederick	Kelso	O'Connor	Segal	

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

H. F. No. 1567, A bill for an act relating to retirement; Falcon Heights volunteer firefighters relief associations; authorizing full vesting with five years of service.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Cooper	Hartle	Kalis	McEachern
Anderson, I.	Dauner	Hasskamp	Kelso	McGuire
Anderson, R.	Dauids	Haukoos	Kinkel	McPherson
Anderson, R. H.	Dawkins	Hausman	Knickerbocker	Milbert
Battaglia	Dempsey	Heir	Koppendrayer	Morrison
Bauerly	Dille	Henry	Krambeer	Munger
Beard	Dorn	Hufnagle	Krinkie	Murphy
Begich	Erhardt	Hugoson	Krueger	Nelson, K.
Bertram	Farrell	Jacobs	Lasley	Nelson, S.
Bettermann	Frederick	Janezich	Leppik	Newinski
Blatz	Frerichs	Jaros	Lieder	O'Connor
Bodahl	Garcia	Jefferson	Limmer	Ogren
Boo	Girard	Jennings	Lourey	Olsen, S.
Brown	Goodno	Johnson, A.	Lynch	Olson, E.
Carlson	Greenfield	Johnson, R.	Macklin	Olson, K.
Carruthers	Gruenes	Johnson, V.	Mariani	Omann
Clark	Gutknecht	Kahn	Marsh	Onnen

Orenstein	Reding	Segal	Thompson	Wejcman
Orfield	Rest	Simoneau	Tompkins	Welker
Osthoff	Rice	Skoglund	Trimble	Welle
Ostrom	Rodosovich	Smith	Tunheim	Wenzel
Ozment	Rukavina	Solberg	Uphus	Winter
Pauly	Runbeck	Sparby	Valento	Spk. Long
Pellow	Sarna	Stanius	Vanasek	
Pelowski	Schafer	Steensma	Wagenius	
Peterson	Schreiber	Sviggum	Waltman	
Pugh	Seaberg	Swenson	Weaver	

The bill was passed and its title agreed to.

H. F. No. 2115 was reported to the House.

Begich moved that H. F. No. 2115 be placed at the beginning of General Orders. The motion prevailed.

### GENERAL ORDERS

Welle moved that the bills on General Orders for today be continued. The motion prevailed.

### MOTIONS AND RESOLUTIONS

Wejcman moved that the name of Runbeck be added as an author on H. F. No. 2472. The motion prevailed.

Bishop moved that the names of Pauly and Simoneau be added as authors on H. F. No. 2684. The motion prevailed.

Simoneau moved that the name of Ogren be added as an author on H. F. No. 2767. The motion prevailed.

Ozment moved that the names of Olsen, S., and Nelson, K., be added as authors on H. F. No. 2772. The motion prevailed.

Mariani moved that the name of Carruthers be added as an author on H. F. No. 2304. The motion prevailed.

Ogren moved that H. F. No. 2440 be recalled from the Committee on Environment and Natural Resources and be re-referred to the Committee on Taxes. The motion prevailed.

Ogren moved that H. F. No. 2703 be recalled from the Committee

on Labor-Management Relations and be re-referred to the Committee on Judiciary. The motion prevailed.

Vanasek moved that H. F. No. 2564, now on Technical General Orders, be re-referred to the Committee on Environment and Natural Resources. The motion prevailed.

Jefferson moved that H. F. No. 2585 be recalled from the Committee on Education and be re-referred to the Committee on General Legislation, Veterans Affairs and Gaming. The motion prevailed.

Haukoos moved that H. F. No. 2672 be recalled from the Committee on Governmental Operations and be re-referred to the Committee on Taxes. The motion prevailed.

Bertram moved that H. F. No. 2383 be recalled from the Committee on Health and Human Services and be re-referred to the Committee on Rules and Legislative Administration. The motion prevailed.

Nelson, K., moved that H. F. No. 2567 be recalled from the Committee on Education and be re-referred to the Committee on Appropriations. The motion prevailed.

Milbert moved that H. F. No. 2813 be recalled from the Committee on Commerce and be re-referred to the Committee on Governmental Operations. The motion prevailed.

Hartle, Weaver, Bettermann, Goodno and Koppendrayner introduced:

House Concurrent Resolution No. 9, A house concurrent resolution prohibiting the provision of travel costs by a lobbyist.

The concurrent resolution was referred to the Committee on Rules and Legislative Administration.

Omann, Smith, Krambeer, McPherson and Limmer introduced:

House Concurrent Resolution No. 10, A house concurrent resolution prohibiting the provision of travel costs by a lobbyist.

The concurrent resolution was referred to the Committee on Rules and Legislative Administration.

Hartle, Bettermann, Swenson, Davids and Goodno introduced:

House Concurrent Resolution No. 11, A house concurrent resolution amending the joint rules; prohibiting legislator activity as a lobbyist.

The concurrent resolution was referred to the Committee on Rules and Legislative Administration.

Limmer and Henry introduced:

House Concurrent Resolution No. 12, A house concurrent resolution amending the joint rules; prohibiting legislator activity as a lobbyist.

The concurrent resolution was referred to the Committee on Rules and Legislative Administration.

McPherson, Smith, Koppendraye, Krambeer and Olsen, S., introduced:

House Concurrent Resolution No. 13, A house concurrent resolution amending the joint rules; prohibiting legislator activity as a lobbyist.

The concurrent resolution was referred to the Committee on Rules and Legislative Administration.

#### ADJOURNMENT

Welle moved that when the House adjourns today it adjourn until 2:30 p.m., Monday, March 16, 1992. The motion prevailed.

Welle moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Monday, March 16, 1992.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



## STATE OF MINNESOTA

## SEVENTY-SEVENTH SESSION—1992

## SEVENTY-EIGHTH DAY

SAINT PAUL, MINNESOTA, MONDAY, MARCH 16, 1992

The House of Representatives convened at 2:30 p.m. and was called to order by Dee Long, Speaker of the House.

Prayer was offered by the Reverend R. W. Oltmanns, Saron Lutheran Church, Big Lake, Minnesota.

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

The roll was called and the following members were present:

Abrams	Frederick	Kelso	Olsen, S.	Skoglund
Anderson, I.	Frerichs	Kinkel	Olson, E.	Smith
Anderson, R.	Garcia	Knickerbocker	Olson, K.	Solberg
Anderson, R. H.	Girard	Koppendrayner	Omann	Sparby
Battaglia	Goodno	Krambeer	Onnen	Stanius
Bauerly	Greenfield	Krinkie	Orenstein	Steensma
Beard	Gruenes	Krueger	Orfield	Sviggum
Begich	Gutknecht	Lasley	Osthoff	Swenson
Bertram	Hanson	Leppik	Ostrom	Thompson
Bettermann	Hartle	Lieder	Ozment	Tompkins
Bishop	Hasskamp	Limmer	Pauly	Trimble
Blatz	Haukoos	Lourey	Pellow	Tunheim
Bodahl	Hausman	Lynch	Pelowski	Uphus
Boo	Heir	Macklin	Peterson	Valento
Brown	Henry	Mariani	Pugh	Vanasek
Carlson	Hufnagle	Marsh	Reding	Vellenga
Carruthers	Hugoson	McEachern	Rest	Wagenius
Clark	Jacobs	McGuire	Rice	Waltman
Cooper	Janezich	McPherson	Rodosovich	Weaver
Dauner	Jaros	Milbert	Rukavina	Wejzman
Davids	Jefferson	Morrison	Runbeck	Welker
Dawkins	Jennings	Munger	Sarna	Welle
Dempsey	Johnson, A.	Murphy	Schafer	Wenzel
Dille	Johnson, R.	Nelson, K.	Schreiber	Winter
Dorn	Johnson, V.	Nelson, S.	Seaberg	Spk. Long
Erhardt	Kahn	Newinski	Segal	
Farrell	Kalis	O'Connor	Simoneau	

A quorum was present.

Ogren was excused.

The Chief Clerk proceeded to read the Journal of the preceding

day. Winter moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

## REPORTS OF STANDING COMMITTEES

Kalis from the Committee on Transportation to which was referred:

H. F. No. 355, A bill for an act relating to transportation; providing for and regulating bicycles to be operated on bikeways along or between the divided lanes of certain interstate highways and other highways and roads; providing for highway planning and rules for bikeways; amending Minnesota Statutes 1990, sections 160.262, subdivision 1; 161.174; 161.20, subdivision 2; 161.202, subdivision 2; 161.21, subdivision 1; 161.32, subdivision 4; 161.38, subdivision 7; 161.39, subdivision 1; 164.151; 167.50, subdivision 1; 169.18, subdivision 7; 169.19, subdivision 1; and 169.222, subdivisions 4, 8, and 10.

Reported the same back with the following amendments:

Page 11, after line 18, insert:

“Sec. 14. Minnesota Statutes 1990, section 169.222, subdivision 6, is amended to read:

Subd. 6. [BICYCLE EQUIPMENT.] (a) No person shall operate a bicycle at nighttime unless the bicycle or its operator is equipped with a lamp which shall emit a white light visible from a distance of at least 500 feet to the front and with a red reflector of a type approved by the department of public safety which is visible from all distances from 100 feet to 600 feet to the rear when directly in front of lawful lower beams of head lamps on a motor vehicle. No person may operate a bicycle at any time when there is not sufficient light to render persons and vehicles on the highway clearly discernible at a distance of 500 feet ahead unless the bicycle or its operator is equipped with reflective surfaces that shall be visible during the hours of darkness from 600 feet when viewed in front of lawful lower beams of head lamps on a motor vehicle.

The reflective surfaces shall include reflective materials on each side of each pedal to indicate their presence from the front or the rear and with a minimum of 20 square inches of reflective material on each side of the bicycle or its operator. Any bicycle equipped with side reflectors as required by regulations for new bicycles prescribed by the United States Consumer Product Safety Commission shall be



considered to meet the requirements for side reflectorization contained in this subdivision.

(b) No person shall operate a bicycle unless it is equipped with a brake which will enable the operator to make the braked wheels skid on dry, level, clean pavement.

(c) No person shall operate upon a highway any bicycle equipped with handlebars so raised that the operator must elevate the hands above the level of the shoulders in order to grasp the normal steering grip area.

(d) No person shall operate upon a highway any bicycle which is of such a size as to prevent the operator from stopping the bicycle, supporting it with at least one foot on the highway surface and restarting in a safe manner.

(e) No person under the age of 16 may operate a bicycle on a bikeway located on, between, or along an interstate highway. From April 1, 1993, to April 1, 1994, a person age 16 or over may operate a bicycle on a bicycle route located on the shoulder of marked interstate highway No. 90 only if (1) the bicycle operation is during daylight hours, and (2) the person wears a protective bicycle helmet of a type that complies with standards adopted by the commissioner of public safety, or that meets the American National Standard for Protective Headgear for Bicyclists, ANSI Z90.4-1984, approved by the American National Standards Institute, Inc."

Page 12, after line 11, insert:

"Sec. 17. [BICYCLE ROUTE.]

Subdivision 1. [ROUTE ESTABLISHED.] The commissioner of transportation shall establish and sign a bicycle route on the shoulder of marked interstate highway No. 90 from the Wisconsin boundary to the South Dakota boundary. The bicycle route must be open to traffic not later than April 1, 1993.

Subd. 2. [STUDY.] The commissioner shall study and evaluate the safety considerations related to bicycle use on the shoulders of controlled access highways. The study must include construction techniques that separate bicycles on the paved shoulder of a highway from motor vehicles on the roadway of the highway. The commissioner shall by January 1, 1994, report to the legislature on the results of the study and recommended changes in law to implement the study's findings."

Renumber the sections in sequence

Correct internal references

Amend the title as follows:

Page 1, line 6, after the semicolon insert "directing the commissioner of transportation to establish a bicycle route on the shoulder of interstate highway No. 90 and authorizing limited bicycle operation on the bicycle route;"

Page 1, line 13, after "4," insert "6,"

With the recommendation that when so amended the bill pass.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 769, A bill for an act relating to commerce; providing a computerized system for notification of security interests in farm products; imposing a penalty; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 336A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [336A.02] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] The definitions in this section apply to this chapter.

Subd. 2. [BUYER IN THE ORDINARY COURSE OF BUSINESS.] "Buyer in the ordinary course of business" means a person who, in the ordinary course of business, buys farm products from a person engaged in farming operations who is in the business of selling farm products.

Subd. 3. [COMMISSION MERCHANT.] "Commission merchant" means a person engaged in the business of receiving a farm product for sale on commission or for or on behalf of another person.

Subd. 4. [COMPUTERIZED FILING SYSTEM.] "Computerized filing system" means the system created under section 336.9-411 with separate programs for filing and giving notice of effective financing statements and farm products statutory liens.

Subd. 5. [EFFECTIVE FINANCING STATEMENT.] "Effective financing statement" means an original or reproduced copy of an original statement that meets the requirements of section 3.

Subd. 6. [FARM PRODUCT.] “Farm product” means an agricultural commodity, a species of livestock used or produced in farming operations, or a product of a crop or the livestock in its unmanufactured state, that is in the possession of a person engaged in farming operations.

Subd. 7. [FARM PRODUCT DEALER.] “Farm product dealer” means a buyer in the ordinary course of business, a commission merchant, or a selling agent.

Subd. 8. [FARM PRODUCTS STATUTORY LIEN.] “Farm products statutory lien” means a lien on farm products which is given by statute or other rule of law for services or materials.

Subd. 9. [FILING OFFICE.] “Filing office” means the office of the county recorder or the office of the secretary of state.

Subd. 10. [FILING OFFICER.] “Filing officer” means a county recorder, the secretary of state, or an agent of a county recorder or the secretary of state authorized to accept filings.

Subd. 11. [LIEN NOTICE.] “Lien notice” means an original or reproduced copy of an original statement that meets the requirements of section 3.

Subd. 12. [PERSON.] “Person” means an individual, partnership, corporation, trust, or other business entity.

Subd. 13. [SECURITY INTEREST.] “Security interest” means an interest in farm products that secures payment or performance of an obligation.

Subd. 14. [SELLING AGENT.] “Selling agent” means a person, other than a commission merchant, who is engaged in the business of negotiating the sale and purchase of a farm product on behalf of a person engaged in farming operations.

## Sec. 2. [336A.03] [SPECIFICATION OF FARM PRODUCTS.]

The secretary of state shall, by rule, determine which specific farm products will be included in the computerized filing and notification system.

## Sec. 3. [336A.04] [CONTENTS OF FINANCING STATEMENT OR LIEN NOTICE.]

Subdivision 1. [SUBSTANTIAL COMPLIANCE.] An effective financing statement or lien notice must substantially comply with this section but may contain minor errors that are not seriously misleading.

Subd. 2. [CONTENTS.] (a) An effective financing statement or lien notice must contain:

(1) a description of the farm products subject to the security interest or farm products statutory lien, including the amount of the farm products, if applicable, and a reasonable description of the location of the property, including the county, where the farm products are located;

(2) the name and address of the secured party or the person entitled to the farm products statutory lien;

(3) the name and address of the debtor;

(4) in the case of an effective financing statement, the social security number of the debtor, or, if the debtor is doing business other than as an individual, the United States Internal Revenue Service taxpayer identification number of the debtor;

(5) in the case of an effective financing statement, the following statement with the appropriate blank checked:

“THIS EFFECTIVE FINANCING STATEMENT .... WILL ..... WILL NOT BE TERMINATED WITHIN 30 DAYS OF THE DATE ON WHICH THE OBLIGATION(S) IT SECURES NO LONGER EXIST.”; and

(6) in the case of a lien notice, any payment obligations imposed on the buyer, commission merchant, or selling agent as a condition for waiver or release of the farm products statutory lien.

(b) An effective financing statement or lien notice for one or more debtors may cover more than one farm product located in more than one county.

(c) The effective financing statement form may not be combined with a Uniform Commercial Code financing statement form.

(d) An effective financing statement must contain the following statement, all in capital letters:

“THE INFORMATION CONTAINED IN THIS EFFECTIVE FINANCING STATEMENT WILL BE SENT TO FARM PRODUCT BUYERS REGISTERED IN MINNESOTA. SALE OF FARM PRODUCTS TO THOSE BUYERS MAY RESULT IN A CHECK BEING ISSUED PAYABLE JOINTLY TO BOTH THE SELLER AND THE SECURED PARTY.”

Subd. 3. [SIGNATURES.] A lien notice must be signed by the lienholder. An effective financing statement must be signed by:

(1) the secured party; and

(2) the debtor.

Subd. 4. [REQUIRED AMENDMENTS.] An effective financing statement or lien notice must be amended in writing within three months after material changes occur to reflect the material changes. The amendment to an effective financing statement or a lien statement must be signed and filed in the same manner required for the original document.

Subd. 5. [EFFECTIVE PERIOD.] (a) An effective financing statement is effective for five years from the date of filing. The effective period may be extended for additional periods of five years as provided in section 6.

(b) An effective financing statement is not effective after:

(1) the effective financing statement lapses on the expiration of the effective period; or

(2) a notice that the effective financing statement is terminated is signed by the secured party and filed in the filing office where the original effective financing statement is filed.

(c) A lien notice is not effective after:

(1) five years from the date of filing;

(2) expiration of the period for commencing an action to enforce the lien under applicable Minnesota law; or

(3) the obligation secured by the statutory lien no longer exists.

Sec. 4. [336A.05] [FILING EFFECTIVE FINANCING STATEMENT OR LIEN NOTICE.]

Subdivision 1. [FILING LOCATION.] An effective financing statement or lien notice must be filed in the office of the secretary of state or the county recorder in the county of the debtor's residence if the debtor is an individual or organization with residence in this state. If the debtor is not a resident of this state, the effective financing statement or lien notice must be filed in the office of the secretary of state.

Subd. 2. [EFFECTIVE FILING.] Presentation of an effective financing statement or lien notice with the appropriate filing fee to a filing officer or acceptance of the statement by a filing officer constitutes filing under this chapter.

Subd. 3. [FEES.] (a) The fee for filing and indexing a standard form for a lien notice, effective financing statement, amendment, or continuation statement, and stamping the date and place of filing on a copy of the filed document furnished by the filing party is \$10 when a single debtor name is listed. If more than one debtor's name is listed on a standard form, the fee is \$17. If one debtor's name is listed on a nonstandard effective filing statement, assignment or continuation statement or a nonstandard lien notice or assignment of a lien notice, the fee is \$13. If more than one debtor's name is listed on a nonstandard form, the fee is \$20.

(b) The fee for filing an amendment on the standard form that does not add debtors' names to the lien notice or effective financing statement is \$10. If a nonstandard form is used, the fee is \$13. The fee for an amendment that adds debtors' names is \$17 if a standard form is used or \$20 if a nonstandard form is used. The fee for filing a partial release is \$10 if a standard form is used or \$13 if a nonstandard form is used.

(c) A fee may not be charged for filing a termination statement if the termination is filed within 30 days after satisfaction of the lien or security interest. Otherwise, the fee is \$10.

(d) A county recorder shall forward \$5 of each filing fee collected under this subdivision to the secretary of state by the 15th of the month following the end of each fiscal quarter. The balance of the filing fees collected by a county recorder must be deposited in the general fund of the county.

Subd. 4. [FILING PROCEDURE.] (a) The filing officer shall mark the effective financing statement or lien notice with a consecutive file number and the date and hour of filing.

(b) The filing office shall maintain the original filed document or a microfilm or other photographic copy of the filed document for public inspection as provided in rule by the secretary of state.

(c) The filing office shall index filed documents according to the file number of the document.

Subd. 5. [ENTERING FILING INFORMATION INTO COMPUTERIZED FILING SYSTEM.] Each filing office shall enter the information from the filed documents into the computerized filing system as prescribed by the secretary of state.

The secretary of state shall record lien notices in the computerized filing system in a manner that separately identifies all farm products statutory liens, and shall ensure that the computerized filing and notification system distinguishes security interests covered by effective financing statements from liens covered by lien

notices to the extent required by United States Code, title 7, section 1631, et seq., and regulations adopted under those sections.

Subd. 6. [VERIFICATION OF INFORMATION.] A person who has filed an effective financing statement or lien notice may verify the accuracy of the information entered into the computerized filing system and compiled into the master list by making an inquiry under section 9. The secretary of state shall establish a procedure for requesting an inquiry to verify the accuracy of the information at the time of filing.

Sec. 5. [336A.06] [EFFECT OF FILING ON PERFECTION AND PRIORITY.]

Filing under this chapter does not affect the perfection or priority of security interests filed under the Uniform Commercial Code or a farm products statutory lien filed in accordance with the provisions of law under which it was created.

Sec. 6. [336A.07] [CONTINUATION STATEMENT.]

Subdivision 1. [FILING PERIOD.] A secured party may file a continuation statement for an effective financing statement within six months before a five-year effective period expires.

Subd. 2. [CONTENTS.] A continuation statement must:

- (1) be signed by the secured party and the debtor;
- (2) identify the original effective financing statement by file number; and
- (3) state that the original effective financing statement is still effective.

Subd. 3. [EFFECTIVE PERIOD.] If a continuation statement is filed within six months before a five-year effective period expires, the effectiveness of the original effective financing statement continues for an additional five years after the original five-year effective period. Additional continuation statements filed within six months before an effective period expires continue the effectiveness of the original effective financing statement for additional five-year periods.

Subd. 4. [FILING.] The continuation statement must be filed in the filing office where the original effective financing statement is filed.

Sec. 7. [336A.08] [TERMINATION STATEMENTS.]

Subdivision 1. [REQUIREMENT.] (a) If required in an effective financing statement, a secured party shall within 30 days file a lien termination statement and termination statement for the effective financing statement when:

(1) an outstanding secured obligation does not exist; and

(2) a written commitment to make advances, incur obligations, or otherwise give value does not exist.

(b) A lienholder shall file a termination statement with respect to a lien notice within 30 days after an outstanding lien notice obligation no longer exists.

Subd. 2. [CONTENTS.] A termination statement and termination statement for the effective financing statement must:

(1) state the file number of the effective financing statement or lien notice;

(2) state the date on which the lien or security interest was satisfied;

(3) state that the secured party does not claim a security interest under the effective financing statement or that the lienholder does not claim a lien under the lien notice; and

(4) be signed by the secured party or lienholder.

Subd. 3. [FILING.] A termination statement for an effective financing statement must be filed by the secured party in the filing office where the original effective financing statement is filed. A termination statement for the lien notice must be filed by the lienholder in the same manner required for filing the lien notice.

Subd. 4. [FAILURE TO FILE.] If the secured party or lienholder fails to file a termination statement as required by subdivision 1, or within ten days after a debtor serves a written demand for the termination statement if the conditions in subdivision 1 exist, the secured party or lienholder is liable to the debtor for \$100 plus any loss caused to the debtor by failing to file the termination statement. For the second and each subsequent time a secured party or lienholder is found liable to a debtor under this subdivision in any one calendar year, the secured party or lienholder is liable to the debtor for \$250 plus any loss caused to the debtor.

Subd. 5. [FILING PROCEDURES.] (a) When a termination statement is filed, each filing office must delete the information from the active files as prescribed by the secretary of state.



(b) If the termination statement is filed in duplicate, the filing office shall return one copy of the termination statement, stamped to show the time of receipt, to the secured party or lienholder.

Sec. 8. [336A.09] [MASTER LIST.]

Subdivision 1. [COMPILATION.] (a) The secretary of state shall compile the information on effective financing statements in the computerized filing system into a master list:

(1) organized according to farm product;

(2) arranged within each product:

(i) in alphabetical order according to the last name of the individual debtor or, in the case of debtors doing business other than as individuals, the first word in the name of the debtors;

(ii) in numerical order according to the social security number of the individual debtor or, in the case of debtors doing business other than as individuals, the Internal Revenue Service taxpayer identification number of the debtors;

(iii) geographically by county; and

(iv) by crop year; and

(3) containing the information provided on an effective financing statement.

(b) The secretary of state shall compile information from lien notices recorded in the computerized filing system into a statutory lien master list in alphabetical order according to the last name of the individual debtor or, in the case of debtors doing business other than as individuals, the first word in the name of the debtors. The secretary of state may also organize the statutory lien master list according to one or more of the categories of information established in paragraph (a).

Subd. 2. [REMOVAL OF EFFECTIVE FINANCING STATEMENTS AND LIEN NOTICES.] The secretary of state shall remove lapsed and terminated effective financing statements and lien notices from the computerized filing system before preparing master lists.

Subd. 3. [REQUEST FOR PARTIAL MASTER LIST.] If requested by a buyer registered under section 11, the secretary of state shall distribute partial master lists to the buyer that are limited to one or more of the categories in subdivision 1, clause (a).

Subd. 4. [DISTRIBUTION OF MASTER AND PARTIAL LISTS.]

(a) The secretary of state shall maintain the information on the effective financing statement master list:

(1) by farm product arranged alphabetically by debtor; and

(2) by farm product arranged numerically by the debtor's social security number for an individual debtor or, in the case of debtors doing business other than as individuals, the Internal Revenue Service taxpayer identification number of the debtors.

(b) The secretary of state shall maintain the information in the farm products statutory lien master list by county arranged alphabetically by debtor.

(c) The secretary of state shall distribute the requested master and partial master lists on a monthly basis to farm product dealers registered under section 11. The secretary of state may, by rule, establish that lists of certain farm products must be distributed more frequently.

(d) The secretary of state shall, by rule, establish:

(1) dates when the distribution of lists will be made;

(2) dates after which a filing of an effective financing statement or lien notice will not be reflected on the next lists distributed; and

(3) dates by which a registrant must complete a registration to receive the next list distributed.

(e) The secretary of state shall make the master and partial master lists available as written or printed paper documents and may make lists available in other forms or media, including:

(1) microfiche;

(2) magnetic tape;

(3) electronically transmitted medium; or

(4) computer disk.

(f) There shall be no fee for partial or master lists distributed on microfiche, magnetic tape, electronically transmitted medium, computer disk, or comparable media.

(g) At the request of a farm product dealer registered under section

11, the secretary of state shall deliver lists at cost by certified or registered mail, return receipt requested.

Sec. 9. [336A.10] [INQUIRIES.]

Subdivision 1. [PROCEDURE.] (a) Oral and written inquiries regarding information provided by the filing of effective financing statements or lien notices may be made at any filing office during regular business hours.

(b) A filing office receiving an oral or written inquiry shall, upon request, provide an oral or facsimile response to the inquiry and must mail a confirmation of the inquiry in writing by the end of the next business day after the inquiry is received.

(c) A filing office shall maintain a record of inquiries made under this section including:

- (1) the date of the inquiry;
- (2) the name of the debtor inquired about; and
- (3) identification of the person making the request for inquiry.

Subd. 2. [SEARCHES; FEES.] (a) If a person makes a request, the filing officer shall conduct a search of the computerized filing system for effective financing statements or lien notices and statements of assignment, continuation, amendment, and partial release of a particular debtor. The filing officer shall report the date, time, and results of the search by issuing:

(1) a certificate listing the file number, date, and hour of each effective financing statement found in the search and the names and addresses of each secured party on the effective financing statements or of each lien notice found in the search and the names and address of each lienholder on the lien notice;

(2) photocopies of the original effective financing statement or lien notice documents on file; or

(3) upon request, both the certificate and photocopies of the effective financing statements or lien notices.

(b) The uniform fee for conducting a search and for preparing a certificate showing up to five listed filings or for preparing up to five photocopies of original documents, or any combination of up to five listed filings and photocopies, is \$10 per debtor name if the request is in the standard form prescribed by the secretary of state and otherwise is \$13 per debtor name. An additional fee of 50 cents must be charged for each listed filing and for each photocopy prepared in

excess of the first five. If an oral or facsimile response is requested, there is an additional fee of \$5 per debtor.

(c) A county recorder shall forward \$3 of each search fee collected under this subdivision to the secretary of state by the 15th of the month following each fiscal quarter. The balance of the search fees collected by a county recorder must be deposited in the general fund of the county.

Sec. 10. [336A.11] [LIABILITY FOR INFORMATION ERRORS.]

Except as provided in sections 609.87 to 609.891, the state, the secretary of state, counties, county recorders, and their employees and agents are immune from liability as a result of errors or omissions in information supplied under this chapter.

Sec. 11. [336A.12] [REGISTRATION OF FARM PRODUCT DEALERS.]

Subdivision 1. [REQUIREMENTS.] Farm product dealers may register with the secretary of state to receive master lists of notices of security interests in farm products or farm products statutory liens. Registration must be made on an annual calendar year basis. A registration is not complete until the registration form is properly completed and received by the secretary of state and accompanied by the registration fee. Registration entitles a farm product dealer to receive lists for those farm products specified by the registrant at the time of registration.

Subd. 2. [REGISTRATION FORMS.] The secretary of state shall make registration forms available to farm product dealers. The secretary of state must also make registration forms available to the commissioner of agriculture for distribution to applicants for licensure under section 17A.04 or 223.17. The registration form must include provisions for the name and address of the farm product dealer, a request for the master or partial master lists, and the medium on which the farm product dealer desires to receive the master list.

Subd. 3. [REGISTRATION FEE.] The annual registration fee for farm product dealers is \$25.

Subd. 4. [RECORD OF REGISTERED FARM PRODUCT DEALERS.] The secretary of state shall maintain a record of the registered farm product dealers and the lists and contents of the lists received by the registered farm product dealers for a period of five years after the lists are distributed.

Sec. 12. [336A.13] [RULES.]

Subdivision 1. [AUTHORITY.] (a) The secretary of state may adopt permanent rules to implement this chapter.

(b) If necessary to obtain federal certification of the computerized filing system, additional or alternative requirements made in conformity with United States Code, title 7, section 1631, may be adopted by the secretary of state by rule.

Subd. 2. [FORMS.] The secretary of state shall prescribe forms to be used for effective financing statements, lien notices, combined forms, amendments, continuation statements, termination statements, and notices to debtors.

**Sec. 13. [336A.14] [RECEIPT OF WRITTEN NOTICE.]**

For purposes of United States Code, title 7, section 1631, and this chapter, receipt of written notice means the date the notice is actually received by a farm product dealer or the first date that delivery is attempted by a carrier. A farm product dealer must act in good faith. A farm product dealer is presumed to have received the notice by five business days after it was mailed unless by ten days after it was mailed the farm product dealer notifies the secretary of state in writing that it has not received the notice by that time.

**Sec. 14. [336A.15] [RESTRICTED USE OF INFORMATION.]**

Information obtained from the seller of a farm product relative to the social security number or tax identification number of the true owner of the farm product and all information obtained from the master or limited list may not be used for purposes that are not related to: (1) purchase of a farm product; (2) taking a security interest against a farm product; or (3) perfecting a farm product statutory lien.

**Sec. 15. [336A.16] [BUYERS TAKING FREE OF AND SUBJECT TO FARM PRODUCTS STATUTORY LIENS.]**

Subdivision 1. [TAKING FREE OF LIEN.] Except as provided in subdivision 2, and notwithstanding other law or rule to the contrary, a buyer in the ordinary course of business who buys farm products from a seller engaged in farming operations takes free of a farm products statutory lien applicable to the purchased farm products even though the farm products statutory lien is perfected and the buyer knows the lien exists.

Subd. 2. [TAKING SUBJECT TO LIEN.] A buyer in the ordinary course of business of farm products takes subject to a farm products statutory lien applicable to the purchased farm products if the lienholder has perfected the farm products statutory lien and:

(1) the buyer has failed to register with the secretary of state as provided in section 11; or

(2) the buyer has registered with the secretary of state as provided in section 11, the buyer receives a notice from the secretary of state specifying that the seller and the farm products being sold are subject to a lien notice, and the buyer fails to secure a waiver or release of the farm products statutory lien specified in the lien notice by making a payment, satisfying an obligation, or otherwise.

Sec. 16. [336A.17] [COMMISSION MERCHANTS AND SELLING AGENTS SUBJECT TO FARM PRODUCTS STATUTORY LIEN.]

Subdivision 1. [SELLING NOT SUBJECT TO LIEN.] Except as provided in subdivision 2, and notwithstanding other law or rule to the contrary, a commission merchant or selling agent who sells farm products for others is not subject to a farm products statutory lien even though the farm products statutory lien is perfected and the commission merchant or selling agent knows the lien exists.

Subd. 2. [SELLING SUBJECT TO LIEN.] A commission merchant or selling agent selling farm products for another person is subject to a farm product statutory lien applicable to the purchased farm products if the lienholder has perfected the farm products statutory lien and:

(1) the commission merchant or selling agent has failed to register with the secretary of state as provided in section 11; or

(2) the commission merchant or selling agent has registered with the secretary of state as provided in section 11, the commission merchant or selling agent receives a notice from the secretary of state specifying that the seller and the farm products being sold are subject to a lien notice, and the commission merchant or selling agent fails to secure a waiver or release of the farm products statutory lien specified in the lien notice by making a payment, satisfying an obligation, or otherwise.

Sec. 17. [336A.18] [FARM PRODUCTS FILING ACCOUNT.]

Subdivision 1. [ESTABLISHMENT.] The farm products filing account is established as an account in the state treasury. Money received by the secretary of state under this chapter must be deposited in the state treasury and credited to the farm products filing account.

Subd. 2. [APPROPRIATION.] Money in the farm products filing account is continuously appropriated to the secretary of state.

Sec. 18. [APPLICATION FOR CERTIFICATION.]

The secretary of state shall apply to the secretary of the United States Department of Agriculture for certification of the computerized filing system.

Sec. 19. [MULTIPLE PAYEE DISPUTES; STUDY, REPORT, AND RECOMMENDATION.]

Not later than February 1, 1993, the commissioner of commerce shall report to the legislature on the findings of a study concerning problems arising out of disputes as to the allocation of proceeds among multiple payees on bank drafts for the purchase of farm products. The commissioner shall include findings regarding the extent of such problems, current formal and informal methods used to resolve such disputes, and recommendations, as appropriate, for eliminating or minimizing such disputes.

Sec. 20. [APPROPRIATION.]

Subdivision 1. [FARM PRODUCTS FILING ACCOUNT.] \$..... is appropriated from the general fund for transfer to the farm products filing account for implementation and maintenance of the computerized farm products filing and notification system to be available until expended.

Subd. 2. [COMPLEMENT.] The approved complement of the office of the secretary of state is increased by ..... persons.

Sec. 21. [REPEALER.]

Minnesota Statutes 1990, sections 223A.02; 223A.03; 223A.04; 223A.05; 223A.06; and 223A.07, are repealed.

Sec. 22. [EFFECTIVE DATE.]

This act is effective the day after final enactment except that the provisions relating to the computerized farm product filing and notification system are not effective until the secretary of state notifies the public and the filing officers that the computerized system is operational. The secretary of state shall give notice of the computerized system being operational at least 30 days before the operational date. The operational date shall be no earlier than January 1, 1993."

Delete the title and insert:

"A bill for an act relating to agriculture; providing for a central computerized filing system for effective financing statements and farm products statutory lien notices; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 336A;

repealing Minnesota Statutes 1990, sections 223A.02; 223A.03; 223A.04; 223A.05; 223A.06; and 223A.07.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Skoglund from the Committee on Financial Institutions and Insurance to which was referred:

H. F. No. 802, A bill for an act relating to insurance; requiring the registration of utilization review organizations; defining terms; requiring certificate to be issued by commissioner of commerce; establishing criteria for issuance of certificate; describing application process and fees; stating grounds for expiration, denial, and revocation of certificate; providing for waiver for some contracts with federal government; establishing reporting requirements; prescribing penalties; proposing coding for new law in Minnesota Statutes, chapter 72A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [62M.01] [CITATION, JURISDICTION, AND SCOPE.]

Subdivision 1. [POPULAR NAME.] Sections 1 to 16 may be cited as the “Minnesota utilization review act of 1992.”

Subd. 2. [JURISDICTION.] Sections 1 to 16 apply to any insurance company licensed under chapter 60A to offer, sell, or issue a policy of accident and sickness insurance as defined in section 62A.01; a health service plan licensed under chapter 62C; a health maintenance organization licensed under chapter 62D; a fraternal benefit society operating under chapter 64B; a joint self-insurance employee health plan operating under chapter 62H; a multiple employer welfare arrangement, as defined in section 3 of the Employee Retirement Income Security Act of 1974 (ERISA), United States Code, title 29, section 1103, as amended; a third party administrator licensed under section 60A.23, subdivision 8, that provides utilization review services for the administration of benefits under a health benefit plan as defined in section 2; or any entity performing utilization review on behalf of a business entity in this state pursuant to a health benefit plan covering a Minnesota resident.



Subd. 3. [SCOPE.] Sections 2, 7, and 9, subdivision 4, apply to prior authorization of services. Nothing in sections 1 to 16 applies to review of claims after submission to determine eligibility for benefits under a health benefit plan.

Sec. 2. [62M.02] [DEFINITIONS.]

Subdivision 1. [TERMS.] For the purposes of sections 1 to 16, the terms defined in this section have the meanings given them.

Subd. 2. [APPEAL.] "Appeal" means a formal request, either orally or in writing, to reconsider a determination not to certify an admission, extension of stay, or other health care service.

Subd. 3. [ATTENDING DENTIST.] "Attending dentist" means the dentist with primary responsibility for the dental care provided to a patient.

Subd. 4. [ATTENDING PHYSICIAN.] "Attending physician" means the physician with primary responsibility for the care provided to a patient in a hospital or other health care facility.

Subd. 5. [CERTIFICATION.] "Certification" means a determination by a utilization review organization that an admission, extension of stay, or other health care service has been reviewed and that it, based on the information provided, meets the utilization review requirements of the applicable health plan.

Subd. 6. [CLAIMS ADMINISTRATOR.] "Claims administrator" means an entity that reviews and determines whether to pay claims to enrollees, physicians, hospitals, or others based on the contract provisions of the health plan contract. Claims administrators may include insurance companies licensed under chapter 60A to offer, sell, or issue a policy of accident and sickness insurance as defined in section 62A.01; a health service plan licensed under chapter 62C; a health maintenance organization licensed under chapter 62D; a fraternal benefit society operating under chapter 62H; a multiple employer welfare arrangement, as defined in section 3 of the Employee Retirement Income Security Act of 1974 (ERISA), United States Code, title 29, section 1103, as amended.

Subd. 7. [CLAIMANT.] "Claimant" means the enrollee or covered person who files a claim for benefits or a provider of services who, pursuant to a contract with a claims administrator, files a claim on behalf of an enrollee or covered person.

Subd. 8. [CLINICAL CRITERIA.] "Clinical criteria" means the written policies, decision rules, medical protocols, or guidelines used by the utilization review organization to determine certification.

Subd. 9. [CONCURRENT REVIEW.] “Concurrent review” means utilization review conducted during a patient’s hospital stay or course of treatment and has the same meaning as continued stay review.

Subd. 10. [DISCHARGE PLANNING.] “Discharge planning” means the process that assesses a patient’s need for treatment after hospitalization in order to help arrange for the necessary services and resources to effect an appropriate and timely discharge.

Subd. 11. [ENROLLEE.] “Enrollee” means an individual who has elected to contract for, or participate in, a health benefit plan for enrollee coverage or for dependent coverage.

Subd. 12. [HEALTH BENEFIT PLAN.] “Health benefit plan” means a policy, contract, or certificate issued by a health carrier to an employer or individual for the coverage of medical, dental, or hospital benefits. A health benefit plan does not include coverage that is:

- (1) limited to disability or income protection coverage;
- (2) automobile medical payment coverage;
- (3) supplemental to liability insurance;
- (4) designed solely to provide payments on a per diem, fixed indemnity, or nonexpense incurred basis;
- (5) credit accident and health insurance issued under chapter 62B;
- (6) blanket accident and sickness insurance as defined in section 62A.11;
- (7) accident only coverage issued by a licensed and tested insurance agent; or
- (8) workers’ compensation.

Subd. 13. [INPATIENT ADMISSIONS TO HOSPITALS.] “Inpatient admissions to hospitals” includes admissions to all acute medical, surgical, obstetrical, psychiatric, and chemical dependency inpatient services at a licensed hospital facility, as well as other licensed inpatient facilities including skilled nursing facilities, residential treatment centers, and free standing rehabilitation facilities.

Subd. 14. [OUTPATIENT SERVICES.] “Outpatient services” means procedures or services performed on a basis other than as an

inpatient, and includes obstetrical, psychiatric, chemical dependency, dental, and chiropractic services.

Subd. 15. [PRIOR AUTHORIZATION.] "Prior authorization" means utilization review conducted prior to the delivery of a service, including an outpatient service.

Subd. 16. [PROSPECTIVE REVIEW.] "Prospective review" means utilization review conducted prior to an enrollee's inpatient stay.

Subd. 17. [PROVIDER.] "Provider" means a licensed health care facility, physician, or other health care professional that delivers health care services to an enrollee or covered person.

Subd. 18. [QUALITY ASSESSMENT PROGRAM.] "Quality assessment program" means a structured mechanism that monitors and evaluates a utilization review organization's program and provides management intervention to support compliance with the requirements of this chapter.

Subd. 19. [RECONSIDERATION REQUEST.] "Reconsideration request" means an initial request by telephone for additional review of a utilization review organization's determination not to certify an admission, extension of stay, or other health care service.

Subd. 20. [UTILIZATION REVIEW.] "Utilization review" means the evaluation of the necessity, appropriateness, and efficacy of the use of health care services, procedures, and facilities, by a person or entity other than the attending physician, for the purpose of determining the medical necessity of the service or admission. Utilization review also includes review conducted after the admission of the enrollee. It includes situations where the enrollee is unconscious or otherwise unable to provide advance notification. Utilization review does not include the imposition of a requirement that services be received by or upon referral from a participating provider.

Subd. 21. [UTILIZATION REVIEW ORGANIZATION.] "Utilization review organization" means an entity including but not limited to an insurance company licensed under chapter 60A to offer, sell, or issue a policy of accident and sickness insurance as defined in section 62A.01; a health service plan licensed under chapter 62C; a health maintenance organization licensed under chapter 62D; a fraternal benefit society operating under chapter 64B; a joint self-insurance employee health plan operating under chapter 62H; a multiple employer welfare arrangement, as defined in section 3 of the Employee Retirement Income Security Act of 1974 (ERISA), United States Code, title 29, section 1103, as amended; a third party administrator licensed under section 60A.23, subdivision 8, which conducts utilization review and determines certification of an admission, extension of stay, or other health care services for a

Minnesota resident; or any entity performing utilization review that is affiliated with, under contract with, or conducting utilization review on behalf of, a business entity in this state.

Sec. 3. [62M.03] [COMPLIANCE WITH STANDARDS.]

Subdivision 1. [LICENSED UTILIZATION REVIEW ORGANIZATION.] Beginning January 1, 1993, any organization that is licensed in this state and that meets the definition of utilization review organization in section 2, subdivision 21, must comply with sections 1 to 16.

Subd. 2. [NONLICENSED UTILIZATION REVIEW ORGANIZATION.] An organization that meets the definition of a utilization review organization under section 2, subdivision 21, that is not licensed in this state that performs utilization review services for Minnesota residents must register with the commissioner of commerce and must certify compliance with sections 1 to 16.

Initial registration must occur no later than January 1, 1993.

Subd. 3. [PENALTIES AND ENFORCEMENTS.] If a nonlicensed utilization review organization fails to comply with sections 1 to 16, the organization may not provide utilization review services for any Minnesota resident. The commissioner of commerce may issue a cease and desist order under section 45.027, subdivision 5, to enforce this provision. The cease and desist order is subject to appeal under chapter 14. A nonlicensed utilization review organization that fails to comply with the provisions of sections 1 to 16 is subject to all applicable penalty and enforcement provisions of section 72A.201.

Sec. 4. [62M.04] [STANDARDS FOR UTILIZATION REVIEW PERFORMANCE.]

Subdivision 1. [RESPONSIBILITY FOR OBTAINING CERTIFICATION.] A health benefit plan that includes utilization review requirements must specify the process for notifying the utilization review organization in a timely manner and obtaining certification for health care services. In addition to the enrollee, the utilization review organization must allow any licensed hospital, physician or the physician's designee, or responsible patient representative, including a family member, to fulfill the obligations under the health plan.

A claims administrator that contracts directly with providers for the provision of health care services to enrollees may, through contract, require the provider to notify the review organization in a timely manner and obtain certification for health care services.

Subd. 2. [INFORMATION UPON WHICH UTILIZATION RE-

VIEW IS CONDUCTED.] If the utilization review organization is conducting routine prospective and concurrent utilization review, utilization review organizations must collect only the information necessary to certify the admission, procedure of treatment, and length of stay.

(a) Utilization review organizations may request, but may not require, hospitals, physicians, or other providers to supply numerically encoded diagnoses or procedures as part of the certification process.

(b) Utilization review organizations must not routinely request copies of medical records for all patients reviewed. In performing prospective and concurrent review, copies of the pertinent portion of the medical record should be required only when a difficulty develops in certifying the medical necessity or appropriateness of the admission or extension of stay.

(c) Utilization review organizations may request copies of medical records retrospectively for a number of purposes, including auditing the services provided, quality assurance review, assuring compliance with the terms of either the health benefit plan or the provider contract, and compliance with utilization review activities. Except for reviewing medical records associated with an appeal or with an investigation or audit of data discrepancies, health care providers must be reimbursed for the reasonable costs of duplicating records requested by the utilization review organization for retrospective review unless otherwise provided under the terms of the provider contract.

Subd. 3. [DATA ELEMENTS.] Except as otherwise provided in sections 1 to 16, for purposes of certification a utilization review organization must limit its data requirements to the following elements:

(a) Patient information that includes the following:

(1) name;

(2) address;

(3) date of birth;

(4) sex;

(5) social security number or patient identification number;

(6) name of health carrier or health plan; and

(7) plan identification number.

(b) Enrollee information that includes the following:

- (1) name;
- (2) address;
- (3) social security number or employee identification number;
- (4) relation to patient;
- (5) employer;
- (6) health benefit plan;
- (7) group number or plan identification number; and
- (8) availability of other coverage.

(c) Attending physician or provider information that includes the following:

- (1) name;
- (2) address;
- (3) phone numbers;
- (4) degree and license;
- (5) specialty or board certification status; and
- (6) tax identification number or other identification number.

(d) Diagnosis and treatment information that includes the following:

- (1) primary diagnosis with associated ICD or DSM coding, if available;
- (2) secondary diagnosis with associated ICD or DSM coding, if available;
- (3) tertiary diagnoses with associated ICD or DSM coding, if available;
- (4) proposed procedures or treatments with ICD or associated CPT codes, if available;
- (5) surgical assistant requirement;

(6) anesthesia requirement;

(7) proposed admission or service dates;

(8) proposed procedure date; and

(9) proposed length of stay.

(e) Clinical information that includes the following:

(1) support and documentation of appropriateness and level of service proposed; and

(2) identification of contact person for detailed clinical information.

(f) Facility information that includes the following:

(1) type;

(2) licensure and certification status and DRG exempt status;

(3) name;

(4) address;

(5) phone number; and

(6) tax ID number or other identification number.

(g) Concurrent or continued stay review information that includes the following:

(1) additional days, services, or procedures proposed;

(2) reasons for extension, including clinical information sufficient for support of appropriateness and level of service proposed; and

(3) diagnosis status.

(h) For admissions to facilities other than acute medical or surgical hospitals, additional information that includes the following:

(1) history of present illness;

(2) patient treatment plan and goals;

(3) prognosis;

(4) staff qualifications; and

(5) 24-hour availability of staff.

Additional information may be required for other specific review functions such as discharge planning or catastrophic case management. Second opinion information may also be required, when applicable, to support benefit plan requirements.

Subd. 4. [ADDITIONAL INFORMATION.] A utilization review organization may request information in addition to that described in subdivision 3 when there is significant lack of agreement between the utilization review organization and the health care provider regarding the appropriateness of certification during the review or appeal process. For purposes of this subdivision, "significant lack of agreement" means that the utilization review organization has:

(1) tentatively determined through its professional staff that a service cannot be certified;

(2) referred the case to a physician for review; and

(3) talked to or attempted to talk to the attending physician for further information.

Nothing in sections 1 to 16 prohibit a utilization review organization from requiring submission of data necessary to comply with the quality assurance and utilization review requirements of chapter 62D or other appropriate data or outcome analyses.

Subd. 5. [SHARING OF INFORMATION.] To the extent allowed under section 72A.49, a utilization review organization shall share all available clinical and demographic information on individual patients internally to avoid duplicate requests for information from enrollees or providers.

Sec. 5. [62M.05] [PROCEDURES FOR REVIEW DETERMINATION.]

Subdivision 1. [WRITTEN PROCEDURES.] A utilization review organization must have written procedures to assure that reviews are conducted in accordance with the requirements of this chapter and section 72A.20, subdivision 4a.

Subd. 2. [CONCURRENT REVIEW.] A utilization review organization may review ongoing inpatient stays based on the severity or complexity of the patient's condition or on necessary treatment or discharge planning activities. Such review must not be consistently conducted on a daily basis.



Subd. 3. [NOTIFICATION OF DETERMINATIONS.] A utilization review organization must have written procedures for providing notification of its determinations on all certifications in accordance with the following:

(a) When an initial determination is made to certify, notification must be provided promptly by telephone to the provider.

(b) When a determination is made not to certify a hospital or surgical facility admission or extension of a hospital stay, or other service requiring review determination, within one working day after making the decision the attending physician and hospital must be notified by telephone and a written notification must be sent to the hospital, attending physician, and enrollee or patient. The written notification must include the principal reason or reasons for the determination and the process for initiating an appeal of the determination. Reasons for a determination not to certify may include, among other things, the lack of adequate information to certify after a reasonable attempt has been made to contact the attending physician.

Subd. 4. [FAILURE TO PROVIDE NECESSARY INFORMATION.] A utilization review organization must have written procedures to address the failure of a health care provider, patient, or representative of either to provide the necessary information for review. If the patient or provider will not release the necessary information to the utilization review organization, the utilization review organization may deny certification in accordance with its own policy or the policy described in the health benefit plan.

Sec. 6. [62M.06] [APPEALS OF DETERMINATIONS NOT TO CERTIFY.]

Subdivision 1. [PROCEDURES FOR APPEAL.] A utilization review organization must have written procedures for appeals of determinations not to certify an admission, procedure, service, or extension of stay. The right to appeal must be available to the enrollee or designee and to the attending physician. The right of appeal must be communicated to the enrollee or designee or to the attending physician, whomever initiated the original certification request, at the time that the original determination is communicated.

Subd. 2. [EXPEDITED APPEAL.] When an initial determination not to certify a health care service is made prior to or during an ongoing service requiring review, and the attending physician believes that the determination warrants immediate appeal, the utilization review organization must assure that the attending physician, enrollee, or designee has an opportunity to appeal the determination over the telephone on an expedited basis. In such an appeal, the utilization review organization must assure reasonable

access to its consulting physician. Expedited appeals that are not resolved may be resubmitted through the standard appeal process.

Subd. 3. [STANDARD APPEAL.] The utilization review organization must establish procedures for appeals to be made either in writing or by telephone.

(a) Each utilization review organization shall notify in writing the enrollee or patient, attending physician, and claims administrator of its determination on the appeal as soon as practical, but in no case later than 45 days after receiving the required documentation on the appeal.

(b) The documentation required by the utilization review organization may include copies of part or all of the medical record and a written statement from the health care provider.

(c) Prior to upholding the original decision not to certify for clinical reasons, the utilization review organization shall conduct a review of the documentation by a physician who did not make the original determination not to certify.

(d) The process established by a utilization review organization may include defining a period within which an appeal must be filed to be considered. The time period must be communicated to the patient, enrollee, or attending physician when the initial determination is made.

(e) An attending physician who has been unsuccessful in an attempt to reverse a determination not to certify shall, consistent with section 72A.285, be provided the following:

(1) a complete summary of the review findings;

(2) qualifications of the reviewers, including any license, certification, or specialty designation; and

(3) the relationship between the enrollee's diagnosis and the review criteria used as the basis for the decision, including the specific rationale for the reviewer's decision.

(f) In cases where an appeal to reverse a determination not to certify for clinical reasons is unsuccessful, the utilization review organization must assure that a physician in the same or a similar general specialty as typically manages the medical condition, procedure, or treatment under discussion is reasonably available to review the case.

Subd. 4. [NOTIFICATION TO CLAIMS ADMINISTRATOR.] If the utilization review organization and the claims administrator are

separate entities, the utilization review organization must forward electronically or in writing, a notification of certification or determination not to certify to the appropriate claims administrator for the health benefit plan.

Sec. 7. [62M.07] [PRIOR AUTHORIZATION OF SERVICES.]

Utilization review organizations conducting prior authorization of services must have written standards that meet at a minimum the following requirements:

(1) written procedures and criteria used to determine whether care is appropriate, reasonable, or medically necessary;

(2) a system for providing prompt notification of its determinations to enrollees and providers and for notifying the provider, enrollee, or enrollee's designee of appeal procedures under clause (4);

(3) compliance with section 72A.20, subdivision 4a, regarding time frames for approving and disapproving prior authorization requests;

(4) written procedures for appeals of denials of prior authorization which specify the responsibilities of the enrollee and provider, and which meet the requirements of section 72A.285, regarding release of summary review findings; and

(5) procedures to ensure confidentiality of patient-specific information, consistent with applicable law.

Sec. 8. [62M.08] [CONFIDENTIALITY.]

Subdivision 1. [WRITTEN PROCEDURES TO ASSURE CONFIDENTIALITY.] A utilization review organization must have written procedures for assuring that patient-specific information obtained during the process of utilization review will be:

(1) kept confidential in accordance with applicable federal and state laws;

(2) used solely for the purposes of utilization review, quality assurance, discharge planning, and case management; and

(3) shared only with those organizations or persons that have the authority to receive such information.

Subd. 2. [SUMMARY DATA.] Summary data is not subject to this section if it does not provide sufficient information to allow identification of individual patients.

## Sec. 9. [62M.09] [STAFF AND PROGRAM QUALIFICATIONS.]

Subdivision 1. [STAFF CRITERIA.] A utilization review organization shall have utilization review staff who are properly trained, qualified, and supervised.

Subd. 2. [LICENSURE REQUIREMENT.] Nurses, physicians, and other licensed health professionals conducting reviews of medical services, and other clinical reviewers conducting specialized reviews in their area of specialty must be currently licensed or certified by an approved state licensing agency in the United States.

Subd. 3. [PHYSICIAN REVIEWER INVOLVEMENT.] A physician must review all cases in which the utilization review organization has concluded that a determination not to certify for clinical reasons is appropriate. The physician should be reasonably available by telephone to discuss the determination with the attending physician.

Subd. 4. [DENTIST PLAN REVIEWS.] A dentist must review all cases in which the utilization review organization has concluded that a determination not to certify a dental service or procedure for clinical reasons is appropriate and an appeal has been made by the attending dentist, enrollee, or designee.

Subd. 5. [WRITTEN CLINICAL CRITERIA.] A utilization review organization's decisions must be supported by written clinical criteria and review procedures. Clinical criteria and review procedures must be established with appropriate involvement from physicians. A utilization review organization must use written clinical criteria, as required, for determining the appropriateness of the certification request. The utilization review organization must have a procedure for assuring the periodic evaluation and updating of the written criteria.

Subd. 6. [PHYSICIAN CONSULTANTS.] A utilization review organization must use physician consultants in the appeal process described in section 6, subdivision 3. The physician consultants should include, as needed and available, specialists who are board-certified, or board-eligible and working towards certification, in a specialty board approved by the American Board of Medical Specialists or the American Board of Osteopathy.

Subd. 7. [TRAINING FOR PROGRAM STAFF.] A utilization review organization must have a formalized program of orientation and ongoing training of utilization review staff.

Subd. 8. [QUALITY ASSESSMENT PROGRAM.] A utilization review organization must have written documentation of an active quality assessment program.

Sec. 10. [62M.10] [ACCESSIBILITY AND ON-SITE REVIEW PROCEDURES.]

Subdivision 1. [TOLL-FREE NUMBER.] A utilization review organization must provide access to its review staff by a toll-free or collect call telephone line during normal business hours. A utilization review organization must also have an established procedure to receive timely callbacks from providers and must establish written procedures for receiving after-hour calls, either in person or by recording.

Subd. 2. [REVIEWS DURING NORMAL BUSINESS HOURS.] A utilization review organization must conduct its telephone reviews, on-site reviews, and hospital communications during hospitals' and physicians' reasonable and normal business hours, unless otherwise mutually agreed.

Subd. 3. [IDENTIFICATION OF ON-SITE REVIEW STAFF.] Each utilization review organization's staff must identify themselves by name and by the name of their organization and, for on-site reviews, must carry picture identification and the utilization review organization's company identification card. On-site reviews should, whenever possible, be scheduled at least one business day in advance with the appropriate hospital contact. If requested by a hospital or inpatient facility, utilization review organizations must assure that their on-site review staff register with the appropriate contact person, if available, prior to requesting any clinical information or assistance from hospital staff. The on-site review staff must wear appropriate hospital supplied identification tags while on the premises.

Subd. 4. [ON-SITE REVIEWS.] Utilization review organizations must agree, if requested, that the medical records remain available in designated areas during the on-site review and that reasonable hospital administrative procedures must be followed by on-site review staff so as to not disrupt hospital operations or patient care. Such procedures, however, must not limit the ability of the utilization review organizations to efficiently conduct the necessary review on behalf of the patient's health benefit plan.

Subd. 5. [ORAL REQUESTS FOR INFORMATION.] Utilization review organizations shall orally inform, upon request, designated hospital personnel or the attending physician of the utilization review requirements of the specific health benefit plan and the general type of criteria used by the review agent. Utilization review organizations should also orally inform, upon request, hospitals, physicians, and other health care professionals of the operational procedures in order to facilitate the review process.

Subd. 6. [MUTUAL AGREEMENT.] Nothing in this section limits

the ability of a utilization review organization and a provider to mutually agree in writing on how review should be conducted.

Sec. 11. [62M.11] [COMPLAINTS TO COMMERCE OR HEALTH.]

Notwithstanding the provisions of sections 1 to 16, an enrollee may file a complaint regarding a determination not to certify directly to the commissioner responsible for regulating the utilization review organization.

Sec. 12. [62M.12] [PROHIBITION OF INAPPROPRIATE INCENTIVES.]

No individual who is performing utilization review may receive any financial incentive based on the number of denials of certifications made by such individual, provided that utilization review organizations may establish medically appropriate performance standards. This prohibition does not apply to financial incentives established between health plans and their providers.

Sec. 13. [62M.13] [SEVERABILITY.]

If any provisions of sections 1 to 16 are held invalid, illegal, or unenforceable for any reason and in any respect, the holding does not affect the validity of the remainder of sections 1 to 16.

Sec. 14. [62M.14] [EFFECT OF COMPLIANCE.]

Evidence of a utilization review organization's compliance or noncompliance with the provisions of sections 1 to 16 shall not be determinative in an action alleging that services denied were medically necessary and covered under the terms of the enrollee's health benefit plan.

Sec. 15. [62M.15] [APPLICABILITY OF OTHER CHAPTER REQUIREMENTS.]

The requirements of this chapter regarding the conduct of utilization review are in addition to any specific requirements contained in chapter 62A, 62C, 62D, or 72A.

Sec. 16. [62M.16] [RULEMAKING.]

If it is determined that rules are reasonable and necessary to accomplish the purpose of sections 1 to 16, the rules must be adopted through a joint rulemaking process by both the department of commerce and the department of health.

Sec. 17. Minnesota Statutes 1991 Supplement, section 144.335, subdivision 3a, is amended to read:

Subd. 3a. [PATIENT CONSENT TO RELEASE OF RECORDS; LIABILITY.] (a) A provider, or a person who receives health records from a provider, may not release a patient's health records to a person without a signed and dated consent from the patient or the patient's legally authorized representative authorizing the release, unless the release is specifically authorized by law. A consent is valid for one year or for a lesser period specified in the consent or for a different period provided by law.

(b) This subdivision does not prohibit the release of health records for a medical emergency when the provider is unable to obtain the patient's consent due to the patient's condition or the nature of the medical emergency.

(c) A person who negligently or intentionally releases a health record in violation of this subdivision, or who forges a signature on a consent form, or who obtains under false pretenses the consent form or health records of another person, or who, without the person's consent, alters a consent form, is liable to the patient for compensatory damages caused by an unauthorized release, plus costs and reasonable attorney's fees.

(d) A patient's consent to the release of data on the date and type of immunizations administered to the patient is effective until the patient directs otherwise, if the consent was executed before August 1, 1991.

For purposes of this subdivision, person does not include an accident and health insurer, health service plan corporation, health maintenance organization, or third party administrator, that is reviewing health record information for purposes of claims determination, eligibility, care protocol development, provider audit, data analysis and studies, fraud investigation, health outcomes analysis and studies, or quality of care review and studies. Any use or release of the health record information by the accident and health insurer, health service plan corporation, health maintenance organization, or third party administrator must meet the requirements of sections 72A.49 to 72A.505.

Sec. 18. [EFFECTIVE DATE.]

Sections 1 to 17 are effective January 1, 1993."

Delete the title and insert:

"A bill for an act relating to insurance; regulating utilization review services; providing standards and procedures; regulating

appeals of determinations not to certify; regulating prior authorization of services; prescribing staff and program qualifications; amending Minnesota Statutes 1991 Supplement, section 144.335, subdivision 3a; proposing coding for new law as Minnesota Statutes, chapter 62M.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 1357, A bill for an act relating to occupations and professions; establishing a system of licensure for acupuncture practitioners; providing a penalty; proposing coding for new law in Minnesota Statutes, chapter 148.

Reported the same back with the following amendments:

Page 2, line 12, delete “20-30” and insert “28-36”

Page 2, line 30, delete “9” and insert “8”

Page 2, line 35, delete “10” and insert “9”

Page 3, line 2, delete “11” and insert “10”

Page 3, line 12, delete “12” and insert “11”

Page 3, line 18, delete “1992” and insert “1993”

Page 3, line 24, after “(1)” insert “a physician or” and after the first “professional” insert “practicing within the scope of the license”

Page 4, delete line 26, and insert “National Acupuncture Detoxification Association guidelines and verified to have passed a course on clean needle technique equivalent to that given by the National Council of Acupuncture Schools and Colleges;”

Page 5, line 13, delete “2” and insert “3”

Page 6, line 22, delete “144.336” and insert “144.335”

Page 8, delete lines 4 to 8 and insert:



"Sec. 7. [APPROPRIATION.]

\$. . . . . is appropriated in fiscal year 1993 to the commissioner of health to establish a licensing board for the practice of acupuncture."

Amend the title as follows:

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

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 1453, A bill for an act relating to waste; establishing priorities for municipal wastewater treatment funding under the state independent grants program; amending Minnesota Statutes 1990, sections 116.16, subdivisions 2, 5, and 9a; 116.162, subdivision 7; 116.18, subdivision 3a; 116.181, subdivisions 1 and 2; and 446A.06, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1990, section 115.03, subdivision 1, is amended to read:

Subdivision 1. The agency is hereby given and charged with the following powers and duties:

(a) To administer and enforce all laws relating to the pollution of any of the waters of the state;

(b) To investigate the extent, character, and effect of the pollution of the waters of this state and to gather data and information necessary or desirable in the administration or enforcement of pollution laws, and to make such classification of the waters of the state as it may deem advisable;

(c) To establish and alter such reasonable pollution standards for any waters of the state in relation to the public use to which they are

or may be put as it shall deem necessary for the purposes of this chapter and, with respect to the pollution of waters of the state, chapter 116;

(d) To encourage waste treatment, including advanced waste treatment, instead of stream low-flow augmentation for dilution purposes to control and prevent pollution;

(e) To adopt, issue, reissue, modify, deny, or revoke, enter into or enforce reasonable orders, permits, variances, standards, rules, schedules of compliance, and stipulation agreements, under such conditions as it may prescribe, in order to prevent, control or abate water pollution, or for the installation or operation of disposal systems or parts thereof, or for other equipment and facilities;

(1) Requiring the discontinuance of the discharge of sewage, industrial waste or other wastes into any waters of the state resulting in pollution in excess of the applicable pollution standard established under this chapter;

(2) Prohibiting or directing the abatement of any discharge of sewage, industrial waste, or other wastes, into any waters of the state or the deposit thereof or the discharge into any municipal disposal system where the same is likely to get into any waters of the state in violation of this chapter and, with respect to the pollution of waters of the state, chapter 116, or standards or rules promulgated or permits issued pursuant thereto, and specifying the schedule of compliance within which such prohibition or abatement must be accomplished;

(3) Prohibiting the storage of any liquid or solid substance or other pollutant in a manner which does not reasonably assure proper retention against entry into any waters of the state that would be likely to pollute any waters of the state;

(4) Requiring the construction, installation, maintenance, and operation by any person of any disposal system or any part thereof, or other equipment and facilities, or the reconstruction, alteration, or enlargement of its existing disposal system or any part thereof, or the adoption of other remedial measures to prevent, control or abate any discharge or deposit of sewage, industrial waste or other wastes by any person;

(5) Establishing, and from time to time revising, standards of performance for new sources taking into consideration, among other things, classes, types, sizes, and categories of sources, processes, pollution control technology, cost of achieving such effluent reduction, and any nonwater quality environmental impact and energy requirements. Said standards of performance for new sources shall encompass those standards for the control of the discharge of pollutants which reflect the greatest degree of effluent reduction

which the agency determines to be achievable through application of the best available demonstrated control technology, processes, operating methods, or other alternatives, including, where practicable, a standard permitting no discharge of pollutants. New sources shall encompass buildings, structures, facilities, or installations from which there is or may be the discharge of pollutants, the construction of which is commenced after the publication by the agency of proposed rules prescribing a standard of performance which will be applicable to such source. Notwithstanding any other provision of the law of this state, any point source the construction of which is commenced after May 20, 1973, and which is so constructed as to meet all applicable standards of performance for new sources shall, consistent with and subject to the provisions of section 306(d) of the Amendments of 1972 to the Federal Water Pollution Control Act, not be subject to any more stringent standard of performance for new sources during a ten-year period beginning on the date of completion of such construction or during the period of depreciation or amortization of such facility for the purposes of section 167 or 169, or both, of the Federal Internal Revenue Code of 1954, whichever period ends first. Construction shall encompass any placement, assembly, or installation of facilities or equipment, including contractual obligations to purchase such facilities or equipment, at the premises where such equipment will be used, including preparation work at such premises;

(6) Establishing and revising pretreatment standards to prevent or abate the discharge of any pollutant into any publicly owned disposal system, which pollutant interferes with, passes through, or otherwise is incompatible with such disposal system;

(7) Requiring the owner or operator of any disposal system or any point source to establish and maintain such records, make such reports, install, use, and maintain such monitoring equipment or methods, including where appropriate biological monitoring methods, sample such effluents in accordance with such methods, at such locations, at such intervals, and in such a manner as the agency shall prescribe, and providing such other information as the agency may reasonably require;

(8) Notwithstanding any other provision of this chapter, and with respect to the pollution of waters of the state, chapter 116, requiring the achievement of more stringent limitations than otherwise imposed by effluent limitations in order to meet any applicable water quality standard by establishing new effluent limitations, based upon section 115.01, subdivision 5, clause (b), including alternative effluent control strategies for any point source or group of point sources to insure the integrity of water quality classifications, whenever the agency determines that discharges of pollutants from such point source or sources, with the application of effluent limitations required to comply with any standard of best available technology, would interfere with the attainment or maintenance of the

water quality classification in a specific portion of the waters of the state. Prior to establishment of any such effluent limitation, the agency shall hold a public hearing to determine the relationship of the economic and social costs of achieving such limitation or limitations, including any economic or social dislocation in the affected community or communities, to the social and economic benefits to be obtained and to determine whether or not such effluent limitation can be implemented with available technology or other alternative control strategies. If a person affected by such limitation demonstrates at such hearing that, whether or not such technology or other alternative control strategies are available, there is no reasonable relationship between the economic and social costs and the benefits to be obtained, such limitation shall not become effective and shall be adjusted as it applies to such person;

(9) Modifying, in its discretion, any requirement or limitation based upon best available technology with respect to any point source for which a permit application is filed after July 1, 1977, upon a showing by the owner or operator of such point source satisfactory to the agency that such modified requirements will represent the maximum use of technology within the economic capability of the owner or operator and will result in reasonable further progress toward the elimination of the discharge of pollutants;

(f) To require to be submitted and to approve plans and specifications for disposal systems or point sources, or any part thereof and to inspect the construction thereof for compliance with the approved plans and specifications thereof;

(g) To prescribe and alter rules, not inconsistent with law, for the conduct of the agency and other matters within the scope of the powers granted to and imposed upon it by this chapter and, with respect to pollution of waters of the state, in chapter 116, provided that every rule affecting any other department or agency of the state or any person other than a member or employee of the agency shall be filed with the secretary of state;

(h) To conduct such investigations, issue such notices, public and otherwise, and hold such hearings as are necessary or which it may deem advisable for the discharge of its duties under this chapter and, with respect to the pollution of waters of the state, under chapter 116, including, but not limited to, the issuance of permits, and to authorize any member, employee, or agent appointed by it to conduct such investigations or, issue such notices and hold such hearings;

(i) For the purpose of water pollution control planning by the state and pursuant to the Federal Water Pollution Control Act, as amended, to establish and revise planning areas, adopt plans and programs and continuing planning processes, including, but not limited to, basin plans and areawide waste treatment management plans, and to provide for the implementation of any such plans by

means of, including, but not limited to, standards, plan elements, procedures for revision, intergovernmental cooperation, residual treatment process waste controls, and needs inventory and ranking for construction of disposal systems;

(j) To train water pollution control personnel, and charge such fees therefor as are necessary to cover the agency's costs. All such fees received shall be paid into the state treasury and credited to the pollution control agency training account;

(k) To impose as additional conditions in permits to publicly owned disposal systems appropriate measures to insure compliance by industrial and other users with any pretreatment standard, including, but not limited to, those related to toxic pollutants, and any system of user charges ratably as is hereby required under state law or said Federal Water Pollution Control Act, as amended, or any regulations or guidelines promulgated thereunder;

(l) To set a period not to exceed five years for the duration of any National Pollutant Discharge Elimination System permit;

(m) To require a each governmental subdivision that owns or operates identified as a permittee for a wastewater disposal system treatment works to have a plan to address its ability to pay the costs of making major repairs to the annually evaluate the condition of its existing system and planning and constructing an adequate replacement system at the end of the existing system's expected useful life identify future capital improvements that will be needed to attain or maintain compliance with a national pollutant discharge elimination system or state disposal system permit; and

(n) To train individual sewage treatment system personnel, including persons who design, construct, install, inspect, service, and operate individual sewage treatment systems, and charge fees as necessary to pay the agency's costs. All fees received must be paid into the state treasury and credited to the agency's training account. Money in the account is appropriated to the agency to pay expenses related to training.

The information required in clause (m) must be submitted annually to the commissioner on a form provided by the commissioner. The commissioner shall provide technical assistance if requested by the governmental subdivision.

## Sec. 2. [116.182] [FINANCIAL ASSISTANCE PROGRAM.]

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

(b) "Agency" means the pollution control agency.

(c) "Authority" means the public facilities authority established in section 446A.03.

(d) "Commissioner" means the commissioner of the pollution control agency.

(e) "Essential project components" means those components of a wastewater disposal system that are necessary to convey or treat a municipality's existing wastewater flows and loadings, and future wastewater flows and loadings based on the projected residential growth of the municipality for a 20-year period.

(f) "Municipality" means a county, city, or town; the metropolitan waste control commission established in chapter 473; the metropolitan council when acting under the provisions of chapter 473; an Indian tribe or an authorized Indian tribal organization; or any other governmental subdivision of the state responsible by law for the prevention, control, and abatement of water pollution in any area of the state.

Subd. 2. [APPLICABILITY.] This section governs the commissioner's certification of applications for financial assistance under section 446A.07 or 446A.071.

Subd. 3. [PROJECT REVIEW.] The commissioner shall review a municipality's proposed project and financial assistance application to determine whether they meet the criteria in this section and the rules adopted under this section. The review must include a determination of the essential project components.

Subd. 4. [CERTIFICATION OF APPROVED PROJECTS.] The commissioner shall certify to the authority each approved application, including a statement of the essential project components and associated costs.

Subd. 5. [RULES.] The agency shall adopt rules for the administration of the financial assistance program. The rules must include:

(1) application requirements;

(2) criteria for the ranking of projects in order of priority based on factors including the type of project and the degree of environmental impact; and

(3) criteria for determining essential project components.

Subd. 6. [TRANSFER OF FUNDS.] As the projects in the programs specified under section 116.18, except the program under

subdivision 3c of that section, are completed, any funds remaining from appropriations for the programs must be used for the wastewater infrastructure funding program in section 446A.071 and are reappropriated to the authority, provided this use of the funds does not violate applicable provisions of any bond or note resolutions, indentures, or other instruments, contracts, or agreements associated with the source of the funds.

**Sec. 3. [446A.071] [WASTEWATER INFRASTRUCTURE FUNDING PROGRAM.]**

Subdivision 1. [ESTABLISHMENT OF THE PROGRAM.] (a) The authority shall establish the wastewater infrastructure funding program to provide supplemental assistance, as provided in rules of the authority, to municipalities that receive loans or other assistance from the water pollution control revolving fund under section 446A.07.

(b) The authority may secure funds for the wastewater infrastructure funding program through state appropriations, any source identified in section 446A.04 which may be designated by the authority for the purposes of this section, and any federal funding appropriated by Congress that may be used for the purposes of this section.

(c) The authority may set aside up to ten percent of the money appropriated to the wastewater infrastructure funding program for wastewater projects that are necessary to accommodate economic development projects.

Subd. 2. [SUPPLEMENTAL ASSISTANCE.] The authority may provide supplemental assistance under this section in the form of loans; write-down of principal, interest, or both; or direct grants, as determined by authority rules. The amount and form of the supplemental assistance must be based on the authority's determination of the financial capability of the municipality, the municipality's eligibility to qualify for other grant programs, and the source of funds.

Subd. 3. [PROGRAM ADMINISTRATION.] The authority may provide supplemental assistance to municipalities demonstrating financial need whose applications have been certified by the commissioner of the agency under section 116.182. The authority shall provide supplemental assistance according to the priority ranking established by the agency except for amounts set aside under subdivision 1, paragraph (c). The authority shall assist municipalities in securing other funding from appropriate sources. The authority shall not award financial assistance under this section unless it determines that the total project financing will be in place.

Subd. 4. [FUNDING LEVEL.] (a) The authority may provide

supplemental assistance for essential project components and costs as certified by the commissioner of the agency under section 116.182, subdivision 4, only if the loan or other financial assistance under section 446A.07 is not sufficient to provide financing for that portion of the project. The authority shall take into account the ability of significant wastewater contributors to pay their fair share of the total project costs in determining eligibility of costs for supplemental assistance.

(b) When feasible, the authority shall coordinate and leverage assistance under the wastewater infrastructure funding program with other grant programs the municipality is eligible for.

(c) Requirements under paragraph (a) do not apply to the economic development set-aside under subdivision 1, paragraph (c).

Subd. 5. [APPLICATIONS.] Applications for supplemental assistance must be made to the authority on forms prescribed by the authority and must include information identified in the rules of the authority and the agency. The authority shall forward an application to the agency within ten days of receipt. The commissioner of the agency shall review the projects and applications to determine if they meet the criteria set forth in section 116.182 and the agency rules for the program. The commissioner of the agency shall certify approved applications to the authority under section 116.182.

Subd. 6. [PAYMENTS.] Payments from the wastewater infrastructure funding program must be made in accordance with applicable state and federal laws and rules of the authority governing such payments.

Subd. 7. [RULES.] The commissioner of trade and economic development shall adopt rules establishing procedures for the administration of the wastewater infrastructure funding program. The rules must include:

(1) procedures for the administration of the financial assistance program, including application procedures;

(2) provisions establishing eligible uses of funds, forms of assistance, payments, and reporting requirements; and

(3) criteria for determining the amount of supplemental assistance, which must include consideration of: social, economic, and demographic considerations; sewer service charges; financial management; and the ability of significant wastewater contributors to pay their fair share of the costs without supplemental assistance.

Subd. 8. [TRANSFER OF APPROPRIATIONS.] As the projects in the programs specified under section 116.18 are completed, any



funds remaining from appropriations for the programs may be used for the wastewater infrastructure funding program, provided this use does not violate applicable provisions of any bond or note resolutions, indentures, or other instruments, contracts, or agreements associated with the source of the funds.

Sec. 4. [APPROPRIATION ALLOCATION.]

Up to \$50,000 of funds appropriated under Laws 1990, chapter 594, article 1, section 22, paragraph (c), may be awarded to a municipality or sanitary district for advanced alternative on-site treatment system demonstration projects in groundwater sensitive areas. The amount awarded must be matched by an equal amount of local funds from the municipality or sanitary district."

Delete the title and insert:

"A bill for an act relating to wastewater treatment funding; requiring governmental subdivisions to evaluate annually their wastewater disposal system needs; establishing a program of supplemental financial assistance for the construction of municipal wastewater disposal systems; amending Minnesota Statutes 1990, section 115.03, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 116; and 446A."

With the recommendation that when so amended the bill pass.

The report was adopted.

Vellenga from the Committee on Judiciary to which was referred:

H. F. No. 1738, A bill for an act relating to family law; modifying the requirements for a person other than a parent who seeks child custody or visitation; amending Minnesota Statutes 1990, section 518.156, subdivision 1.

Reported the same back with the following amendments:

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes 1990, section 257.022, subdivision 2, is amended to read:

Subd. 2. [FAMILY COURT PROCEEDINGS.] In all proceedings for dissolution, custody, legal separation, annulment, or parentage subsequent to the commencement of the proceeding or at any time

after completion of the proceeding, and continuing thereafter during the minority of the child, the court may, upon the request of the parent or grandparent of a party, grant reasonable visitation rights to the unmarried minor child, after dissolution of marriage, legal separation, annulment, or determination of parentage during minority if it finds that visitation rights would be in the best interests of the child and would not interfere with the parent child relationship. The court shall consider the amount of personal contact between the parents or grandparents of the party and the child prior to the application.

Sec. 2. Minnesota Statutes 1990, section 257.022, subdivision 2a, is amended to read:

Subd. 2a. [WHEN CHILD HAS RESIDED WITH GRANDPARENTS.] If an unmarried minor has resided with grandparents or great-grandparents for a period of 12 months or more within three years, and is subsequently removed from the home by the minor's parents, the grandparents or great-grandparents may petition the district or county court for an order granting them reasonable visitation rights to the child during minority. The court shall grant the petition if it finds that visitation rights would be in the best interests of the child and would not interfere with the parent and child relationship."

Page 2, after line 5, insert:

"Sec. 4. Minnesota Statutes 1990, section 518.175, subdivision 7, is amended to read:

Subd. 7. [GRANDPARENT VISITATION.] In all proceedings for dissolution or legal separation, subsequent to the commencement of the proceeding or at any time after completion of the proceeding, and continuing during the minority of the child, the court may make an order granting visitation rights to grandparents under section 257.022, subdivision 2."

Page 2, line 7, delete "Section 1 is" and insert "Sections 1 to 4 are"

Renumber the remaining sections

Amend the title as follows:

Page 1, line 2, after the semicolon insert "clarifying certain rights of grandparents to visitation;"

Page 1, line 5, delete "section" and insert "sections 257.022, subdivisions 2 and 2a;" and before the period insert "; and 518.175, subdivision 7"

With the recommendation that when so amended the bill pass.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 1751, A bill for an act relating to trade regulations; regulating certain interactive telephone services; providing penalties and remedies; proposing coding for new law in Minnesota Statutes, chapter 325E.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1990, section 8.31, subdivision 1, is amended to read:

Subdivision 1. [INVESTIGATE OFFENSES AGAINST THE PROVISIONS OF CERTAIN DESIGNATED SECTIONS; ASSIST IN ENFORCEMENT.] The attorney general shall investigate violations of the law of this state respecting unfair, discriminatory, and other unlawful practices in business, commerce, or trade, and specifically, but not exclusively, the nonprofit corporation act (sections 317A.001 to 317A.909), the act against unfair discrimination and competition (sections 325D.01 to 325D.08), the unlawful trade practices act (sections 325D.09 to 325D.16), the antitrust act (sections 325D.49 to 325D.66), section 325F.67 and other laws against false or fraudulent advertising, the antidiscrimination acts contained in section 325D.67, the act against monopolization of food products (section 325D.68), the act regulating telephone advertising services (section 2), and the prevention of consumer fraud act (sections 325F.68 to 325F.70) and assist in the enforcement of those laws as in this section provided.

Sec. 2. [325E.39] [TELEPHONE ADVERTISING SERVICES.]

Subdivision 1. [DEFINITION.] For purposes of this section, “telephone advertising service” means a service that enables advertisers to make recorded personal or other advertisements available to respondents by means of voice mail or another messaging device accessed by telephone. Telephone advertising service does not mean advertisements for telephone services or a newspaper or other medium of mass communication that publishes an advertisement for a telephone advertising service.

Subd. 2. [VERIFICATION AND IDENTIFICATION.] A person who operates a telephone advertising service in this state shall:

(1) verify the placement of an advertisement that includes the advertiser's telephone number or other information that enables respondents to identify and communicate directly with the advertiser by calling the listed number or otherwise communicating with the person identified as the advertiser to ensure that the person placed or consented to the placement of the advertisement; and

(2) in any advertising for the telephone advertising service, provide a business mailing address or business telephone number sufficient to enable persons to communicate with the business operation of the service."

Delete the title and insert:

"A bill for an act relating to trade regulations; regulating telephone advertising services; providing penalties and remedies; amending Minnesota Statutes 1990, section 8.31, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 325E."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 1757, A bill for an act relating to local government; authorizing the creation of a neighborhood early learning board in the city of Minneapolis and special school district No. 1; authorizing the acquisition, betterment, and operation of neighborhood early learning centers.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 1797, A bill for an act relating to game and fish; reducing

deer license fees for residents under age 18; amending Minnesota Statutes 1991 Supplement, section 97A.475, subdivision 2.

Reported the same back with the following amendments:

Page 1, lines 14, 16, 18, and 20, delete "18" and insert "16"

Page 1, after line 21, insert:

"(8) to take a second deer under section 97B.301, subdivision 4, \$11;"

Page 1, line 22, delete "(8)" and insert "(9)"

Page 1, line 24, delete "(9)" and insert "(10)"

Page 1, line 25, delete "(10)" and insert "(11)"

Page 2, line 2, delete "(11)" and insert "(12)"

Page 2, after line 2, insert:

"Sec. 2. Minnesota Statutes 1990, section 97B.301, subdivision 4, is amended to read:

Subd. 4. [TAKING TWO DEER.] The commissioner may, by order, allow a person to take two deer. The commissioner shall prescribe the conditions for taking the second deer including:

(1) taking by firearm or archery; and

(2) obtaining an additional license; and

(3) payment of a fee not more than the fee for a firearms deer license."

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

Page 2, line 5, delete "1993" and insert "1992"

Amend the title as follows:

Page 1, line 3, delete "18" and insert "16 and for licenses to take a second deer"

Page 1, line 4, delete "section" and insert "sections"

Page 1, line 5, after "2" insert "; and 97B.301, subdivision 4"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 1865, A bill for an act relating to education; requiring the graduation rule to be authorized by law.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [LEGISLATIVE COMMITMENT TO A RESULTS-ORIENTED GRADUATION RULE.]

The legislature is committed to establishing a rigorous, results-oriented graduation rule for Minnesota's public school students. To that end, the state board of education shall use its rulemaking authority granted under Minnesota Statutes, section 121.11, subdivision 12, to adopt a statewide, results-oriented graduation rule according to the timeline in section 2. The board shall not prescribe in rule or otherwise the delivery system, form of instruction, or a single statewide form of assessment that local sites must use to meet the requirements contained in the rule.

Sec. 2. [RULE TO BE AUTHORIZED BY LAW.]

Notwithstanding Minnesota Statutes, section 121.11, subdivision 12, the state board of education may continue its proceedings to adopt a graduation rule but must not take final action under Minnesota Statutes, sections 14.131 to 14.20 to adopt the rule until specifically authorized by law to do so. The 180-day time limit in Minnesota Statutes, section 14.19, does not apply after the rule is specifically authorized by law.

Sec. 3. [EFFECTIVE DATE.]

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

Delete the title and insert:

“A bill for an act relating to education; authorizing the state board of education to adopt a results-oriented graduation rule.”

With the recommendation that when so amended the bill pass.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 1893, A bill for an act relating to education; changing the structure of the higher education merger; amending Minnesota Statutes 1991 Supplement, sections 136E.03; 136E.04, subdivision 1; 179A.10, subdivision 2; and Laws 1991, chapter 356, article 9, sections 8, subdivisions 1 and 4; 9; and 14; repealing Minnesota Statutes 1991 Supplement, section 136E.04, subdivision 4; and Laws 1991, chapter 356, article 9, sections 8, subdivision 6; and 11.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 1902, A bill for an act relating to retirement; providing benefit increases for certain public employees; amending Minnesota Statutes 1990, sections 352.115, subdivision 3; 353.29, subdivision 3; 354.44, subdivision 6; and 354A.31, subdivision 4.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1990, section 352.04, subdivision 2, is amended to read:

Subd. 2. [EMPLOYEE CONTRIBUTIONS.] The employee contribution to the fund must be equal to ~~4-15~~ ..... percent of salary. These contributions must be made by deduction from salary as provided in subdivision 4.

Sec. 2. Minnesota Statutes 1990, section 352.04, subdivision 3, is amended to read:

Subd. 3. [EMPLOYER CONTRIBUTIONS.] (a) The employer contribution to the fund must be equal to ~~4.29~~ .... percent of salary.

(b) By January 1 of each year, the board of directors shall report to the legislative commission on pensions and retirement, the chair of the committee on appropriations of the house of representatives, and the chair of the committee on finance of the senate on the amount raised by the employer and employee contribution rates in effect and whether the total amount is less than, the same as, or more than the actuarial requirement determined under section 356.215.

Sec. 3. Minnesota Statutes 1990, section 352.115, subdivision 3, is amended to read:

Subd. 3. [RETIREMENT ANNUITY FORMULA.] (a) This paragraph, in conjunction with section 352.116, subdivision 1, applies to a person who became a covered employee or a member of a pension fund listed in section 356.30, subdivision 3, before July 1, 1989, unless paragraph (b), in conjunction with section 352.116, subdivision 1a, produces a higher annuity amount, in which case paragraph (b) will apply. The employee's average salary, as defined in subdivision 2, multiplied by ~~one~~ 1.1 percent per year of allowable service for the first ten years and ~~1.5~~ 1.6 percent for each later year of allowable service and pro rata for completed months less than a full year shall determine the amount of the retirement annuity to which the employee is entitled.

(b) This paragraph applies to a person who has become at least 55 years old and first became a covered employee after June 30, 1989, and to any other covered employee who has become at least 55 years old and whose annuity amount, when calculated under this paragraph and in conjunction with section 352.116, subdivision 1a, is higher than it is when calculated under paragraph (a), in conjunction with section 352.116, subdivision 1. The employee's average salary, as defined in subdivision 2, multiplied by ~~1.5~~ 1.6 percent for each year of allowable service and pro rata for months less than a full year shall determine the amount of the retirement annuity to which the employee is entitled.

Sec. 4. Minnesota Statutes 1990, section 352.92, subdivision 1, is amended to read:

Subdivision 1. [EMPLOYEE CONTRIBUTIONS.] Beginning with the first full pay period after July 1, 1984, in lieu of employee contributions payable under section 352.04, subdivision 2, contributions by covered correctional employees must be in an amount equal to ~~4.90~~ .... percent of salary.

Sec. 5. Minnesota Statutes 1990, section 352.92, subdivision 2, is amended to read:



Subd. 2. [EMPLOYER CONTRIBUTIONS.] (a) In lieu of employer contributions payable under section 352.04, subdivision 3, the employer shall contribute for covered correctional employees an amount equal to ~~6.27~~ ..... percent of salary.

(b) By January 1 of each year, the board of directors shall report to the legislative commission on pensions and retirement, the chair of the committee on appropriations of the house of representatives, and the chair of the committee on finance of the senate on the amount raised by the employer and employee contribution rates in effect and whether the total amount is less than, the same as, or more than the actuarial requirement determined under section 356.215.

Sec. 6. Minnesota Statutes 1990, section 352.93, subdivision 2, is amended to read:

Subd. 2. [CALCULATING MONTHLY ANNUITY.] The monthly annuity under this section must be determined by multiplying the average monthly salary by the number of years, or completed months, of covered correctional service by ~~2.5~~ 2.7 percent. However, the monthly annuity must not exceed ~~75~~ 81 percent of the average monthly salary.

Sec. 7. Minnesota Statutes 1990, section 352.95, subdivision 1, is amended to read:

Subdivision 1. [JOB-RELATED DISABILITY.] A covered correctional employee less than 55 years old who becomes disabled and physically unfit to perform the duties of the position as a direct result of an injury, sickness, or other disability incurred in or arising out of any act of duty that makes the employee physically or mentally unable to perform the duties, is entitled to a disability benefit based on covered correctional service only. The benefit amount must equal ~~50~~ 54 percent of the average salary defined in section 352.93, plus an additional ~~2-1/2~~ 2.7 percent for each year of covered correctional service in excess of 20 years, prorated for completed months.

Sec. 8. Minnesota Statutes 1990, section 352B.02, subdivision 1a, is amended to read:

Subd. 1a. [MEMBER CONTRIBUTIONS.] Each member shall pay a sum equal to ~~8.5~~ .... percent of the member's salary, which shall constitute the member contribution to the fund.

Sec. 9. Minnesota Statutes 1990, section 352B.02, subdivision 1c, is amended to read:

Subd. 1c. [EMPLOYER CONTRIBUTIONS.] (a) In addition to member contributions, department heads shall pay a sum equal to

~~14.88~~ ... percent of the salary upon which deductions were made, which shall constitute the employer contribution to the fund. Department contributions must be paid out of money appropriated to departments for this purpose.

(b) By January 1 of each year, the board of directors shall report to the legislative commission on pensions and retirement, the chair of the committee on appropriations of the house of representatives, and the chair of the committee on finance of the senate on the amount raised by the employer and employee contribution rates in effect and whether the total amount is less than, the same as, or more than the actuarial requirement determined under section 356.215.

Sec. 10. Minnesota Statutes 1990, section 352B.08, subdivision 2, is amended to read:

Subd. 2. [NORMAL RETIREMENT ANNUITY.] The annuity must be paid in monthly installments. The annuity shall be equal to the amount determined by multiplying the average monthly salary of the member by ~~2-1/2~~ 2.7 percent for each year and pro rata for completed months of service.

Sec. 11. Minnesota Statutes 1990, section 352B.10, subdivision 1, is amended to read:

Subdivision 1. [INJURIES, PAYMENT AMOUNTS.] Any member less than 55 years old, who becomes disabled and physically or mentally unfit to perform duties as a direct result of an injury, sickness, or other disability incurred in or arising out of any act of duty, shall receive disability benefits while disabled. The benefits must be paid in monthly installments equal to the member's average monthly salary multiplied by ~~50~~ 54 percent, plus an additional ~~2-1/2~~ 2.7 percent for each year and pro rata for completed months of service in excess of 20 years, if any.

Sec. 12. Minnesota Statutes 1990, section 353.27, subdivision 2, is amended to read:

Subd. 2. [EMPLOYEE CONTRIBUTION.] The employee contribution shall be an amount (a) for a "basic member" equal to ~~8-23~~ 8.52 percent of total salary; and (b) for a "coordinated member" equal to ~~4-23~~ 4.52 percent of total salary. These contributions shall be made by deduction from salary in the manner provided in subdivision 4. Where any portion of a member's salary is paid from other than public funds, such member's employee contribution shall be based on the total salary received from all sources.

Sec. 13. Minnesota Statutes 1990, section 353.29, subdivision 3, is amended to read:

Subd. 3. [RETIREMENT ANNUITY FORMULA.] (a) This paragraph, in conjunction with section 353.30, subdivisions 1, 1a, 1b, and 1c, applies to any member who first became a public employee or a member of a pension fund listed in section 356.30, subdivision 3, before July 1, 1989, unless paragraph (b), in conjunction with section 353.30, subdivision 5, produces a higher annuity amount, in which case paragraph (b) will apply. The average salary as defined in subdivision 2, multiplied by ~~two~~ 2.1 percent for each year of allowable service for the first ten years and thereafter by ~~2.5~~ 2.6 percent per year of allowable service and completed months less than a full year for the "basic member," and ~~one~~ 1.1 percent for each year of allowable service for the first ten years and thereafter by ~~1.5~~ 1.6 percent per year of allowable service and completed months less than a full year for the "coordinated member," shall determine the amount of the "normal" retirement annuity.

(b) This paragraph applies to a member who has become at least 55 years old and first became a public employee after June 30, 1989, and to any other member whose annuity amount, when calculated under this paragraph and in conjunction with section 353.30, subdivision 5, is higher than it is when calculated under paragraph (a), in conjunction with section 353.30, subdivisions 1, 1a, 1b, and 1c. The average salary, as defined in subdivision 2, multiplied by ~~2.5~~ 2.6 percent for each year of allowable service and completed months less than a full year for a basic member and ~~1.5~~ 1.6 percent per year of allowable service and completed months less than a full year for a coordinated member, shall determine the amount of the normal retirement annuity.

Sec. 14. Minnesota Statutes 1990, section 353.651, subdivision 3, is amended to read:

Subd. 3. [RETIREMENT ANNUITY FORMULA.] The average salary as defined in subdivision 2, multiplied by ~~2-1/2~~ 2.7 percent per year of allowable service shall determine the amount of the normal retirement annuity. If the member has earned allowable service for performing services other than those of a police officer or firefighter, the annuity representing such service shall be computed in accordance with sections 353.29 and 353.30.

Sec. 15. Minnesota Statutes 1990, section 353.656, subdivision 1, is amended to read:

Subdivision 1. [IN LINE OF DUTY; COMPUTATION OF BENEFITS.] Any member of the police and fire fund less than 55 years of age, who becomes disabled and physically unfit to perform duties as a police officer or firefighter subsequent to June 30, 1973, as a direct result of an injury, sickness, or other disability incurred in or arising out of any act of duty, which has or is expected to render the member physically or mentally unable to perform duties as a police officer or firefighter for a period of at least one year, shall receive disability

benefits during the period of such disability. The benefits must be in an amount equal to ~~50~~ 54 percent of the "average salary" pursuant to subdivision 3 plus an additional ~~2-1/2~~ 2.7 percent of said average salary for each year of service in excess of 20 years. Should disability under this subdivision occur before the member has at least five years of allowable service credit in the police and fire fund, the disability benefit must be computed on the "average salary" from which deductions were made for contribution to the police and fire fund.

Sec. 16. Minnesota Statutes 1991 Supplement, section 353C.06, subdivision 3, is amended to read:

Subd. 3. [ANNUITY AMOUNT.] The average salary as defined in subdivision 2, multiplied by ~~two~~ 2.2 percent for each year of allowable service for the first ten years and ~~2.5~~ 2.7 percent for each additional year of allowable service, and pro rata for completed months less than a full year, determines the amount of the normal annuity. If a person has earned allowable service in the public employees retirement association or the public employees police and fire fund prior to participation under this chapter, the annuity representing such service must be computed in accordance with the formula under sections 353.29 and 353.30 or 353.651, whichever applies.

Sec. 17. Minnesota Statutes 1990, section 354.42, subdivision 2, is amended to read:

Subd. 2. The employee contribution to the fund shall be an amount equal to ~~4-1/2~~ ... percent of the salary of every coordinated member and ~~8-1/2~~ ... percent of the salary of every basic member. This contribution shall be made by deduction from salary. Where any portion of a member's salary is paid from other than public funds, such member's employee contribution shall be based on the entire salary received.

Sec. 18. Minnesota Statutes 1990, section 354.42, subdivision 3, is amended to read:

Subd. 3. The employer contribution to the fund shall be an amount equal to ~~4-1/2~~ ... percent of the salary of each coordinated member and ~~8-1/2~~ ... percent of the salary of each basic member. This contribution shall be made in the manner provided in section 354.43.

Sec. 19. Minnesota Statutes 1990, section 354.44, subdivision 6, is amended to read:

Subd. 6. [COMPUTATION OF FORMULA PROGRAM RETIREMENT ANNUITY.] (1) The formula retirement annuity hereunder

shall be computed in accordance with the applicable provisions of the formulas stated in clause (2) or (4) on the basis of each member's average salary for the period of the member's formula service credit.

For all years of formula service credit, "average salary," for the purpose of determining the member's retirement annuity, means the average salary upon which contributions were made and upon which payments were made to increase the salary limitation provided in Minnesota Statutes 1971, section 354.511, for the highest five successive years of formula service credit provided, however, that such "average salary" shall not include any more than the equivalent of 60 monthly salary payments. Average salary must be based upon all years of formula service credit if this service credit is less than five years.

(2) This clause, in conjunction with clause (3), applies to a person who first became a member of the fund or a member of a pension fund listed in section 356.30, subdivision 3, before July 1, 1989, unless clause (4), in conjunction with clause (5), produces a higher annuity amount, in which case clause (4) applies. The average salary as defined in clause (1), multiplied by the following percentages per year of formula service credit shall determine the amount of the annuity to which the member qualifying therefor is entitled:

	Coordinated Member	Basic Member
Each year of service during first ten	<del>1.0</del> <u>1.1</u> percent per year	<del>2.0</del> <u>2.1</u> percent per year
Each year of service thereafter	<del>1.5</del> <u>1.6</u> percent per year	<del>2.5</del> <u>2.6</u> percent per year

(3)(i) This clause applies only to a person who first became a member of the fund or a member of a pension fund listed in section 356.30, subdivision 3, before July 1, 1989, and whose annuity is higher when calculated under clause (2), in conjunction with this clause than when calculated under clause (4), in conjunction with clause (5).

(ii) Where any member retires prior to normal retirement age under a formula annuity, the member shall be paid a retirement annuity in an amount equal to the normal annuity provided in clause (2) reduced by one-quarter of one percent for each month that the member is under normal retirement age at the time of retirement except that for any member who has 30 or more years of allowable service credit, the reduction shall be applied only for each month that the member is under age 62.

(iii) Any member whose attained age plus credited allowable service totals 90 years is entitled, upon application, to a retirement annuity in an amount equal to the normal annuity provided in clause (2), without any reduction by reason of early retirement.

(4) This clause applies to a member who has become at least 55 years old and first became a member of the fund after June 30, 1989, and to any other member who has become at least 55 years old and whose annuity amount when calculated under this clause and in conjunction with clause (5), is higher than it is when calculated under clause (2), in conjunction with clause (3). The average salary, as defined in clause (1) multiplied by ~~2.5~~ 2.6 percent for each year of service for a basic member and by ~~1.5~~ 1.6 percent for each year of service for a coordinated member shall determine the amount of the retirement annuity to which the member is entitled.

(5) This clause applies to a person who has become at least 55 years old and first becomes a member of the fund after June 30, 1989, and to any other member who has become at least 55 years old and whose annuity is higher when calculated under clause (4) in conjunction with this clause than when calculated under clause (2), in conjunction with clause (3). An employee who retires under the formula annuity before the normal retirement age shall be paid the normal annuity provided in clause (4) reduced so that the reduced annuity is the actuarial equivalent of the annuity that would be payable to the employee if the employee deferred receipt of the annuity and the annuity amount were augmented at an annual rate of three percent compounded annually from the day the annuity begins to accrue until the normal retirement age.

Sec. 20. Minnesota Statutes 1990, section 354A.12, subdivision 1, is amended to read:

Subdivision 1. [EMPLOYEE CONTRIBUTIONS.] The contribution required to be paid by each member of a teachers retirement fund association shall not be less than the percentage of total salary specified below for the applicable association and program:

Association and Program	Percentage of Total Salary
Duluth teachers retirement association	
old law and new law coordinated programs	4.5 <u>...</u> percent
Minneapolis teachers retirement association	
basic program	8.5 <u>...</u> percent
coordinated program	4.5 <u>...</u> percent
St. Paul teachers retirement association	
basic program	8 <u>...</u> percent
coordinated program	4.5 <u>...</u> percent

Sec. 21. Minnesota Statutes 1990, section 354A.12, subdivision 2, is amended to read:

Subd. 2. [EMPLOYER CONTRIBUTIONS.] Notwithstanding any law to the contrary, levies for teachers retirement fund associations in cities of the first class, including levies for any employer social security taxes for teachers covered by the Duluth teachers retirement fund association or the Minneapolis teachers retirement fund association or the St. Paul teachers retirement fund association, are disallowed.

The employing units shall make the following employer contributions to teachers retirement fund associations:

(a) For any coordinated member of a teachers retirement fund association in a city of the first class, the employing unit shall pay the employer social security taxes in accordance with section 355.46, subdivision 3, clause (b);

(b) For any coordinated member of one of the following teachers retirement fund associations in a city of the first class, the employing unit shall make a contribution to the respective retirement fund association in an amount equal to the designated percentage of the salary of the coordinated member as provided below:

Duluth teachers retirement fund association	5.79 ... percent
Minneapolis teachers retirement fund association	4.50 ... percent
St. Paul teachers retirement fund association	4.50 ... percent

(c) For any basic member of one of the following teachers retirement fund associations in a city of the first class, the employing unit shall make a contribution to the respective retirement fund in an amount equal to the designated percentage of the salary of the basic member as provided below:

Minneapolis teachers retirement fund association	13.35 ... percent
St. Paul teachers retirement fund association	12.63 ... percent

The employer contributions shall be remitted directly to each teachers retirement fund association each month.

Payments for school district or technical college employees who are paid from normal operating funds, shall be made from the appropriate fund of the district or technical college.

Sec. 22. Minnesota Statutes 1990, section 354A.31, subdivision 4, is amended to read:

Subd. 4. [COMPUTATION OF THE NORMAL COORDINATED RETIREMENT ANNUITY.] (a) The normal coordinated retirement annuity shall be an amount equal to a retiring coordinated member's average salary multiplied by the retirement annuity formula percentage. Average salary for purposes of this section shall mean an amount equal to the average salary upon which contributions were made for the highest five successive years of service credit, but which shall not in any event include any more than the equivalent of 60 monthly salary payments. Average salary must be based upon all years of service credit if this service credit is less than five years.

(b) This paragraph, in conjunction with subdivision 6, applies to a person who first became a member or a member in a pension fund listed in section 356.30, subdivision 3, before July 1, 1989, unless paragraph (c), in conjunction with subdivision 7, produces a higher annuity amount, in which case paragraph (c) will apply. The retirement annuity formula percentage for purposes of this paragraph is ~~one~~ 1.1 percent per year for each year of coordinated service for the first ten years and ~~1.5~~ 1.6 percent for each year of coordinated service thereafter.

(c) This paragraph applies to a person who has become at least 55 years old and who first becomes a member after June 30, 1989, and to any other member who has become at least 55 years old and whose annuity amount, when calculated under this paragraph and in conjunction with subdivision 7 is higher than it is when calculated under paragraph (b), in conjunction with the provisions of subdivision 6. The retirement annuity formula percentage for purposes of this paragraph is ~~1.5~~ 1.6 percent for each year of coordinated service.

Sec. 23. Minnesota Statutes 1991 Supplement, section 356.215, subdivision 4d, is amended to read:

Subd. 4d. [INTEREST AND SALARY ASSUMPTIONS.] (a) For funds governed by chapters 352, 352B, 353, 353C, and 354, the actuarial valuation must use a preretirement interest assumption of 8.5 percent, a postretirement interest assumption of five percent, and a future salary increase assumption of ~~6.5~~ six percent.

(b) For funds governed by chapter 354A, the actuarial valuation must use preretirement and postretirement assumptions of 8.5 percent and a future salary increase assumption of ~~6.5~~ six percent, but the actuarial valuation must reflect the payment of postretirement adjustments to retirees, based on the methods specified in the bylaws of the fund as approved by the legislature. For a fund governed by chapter 422A, the actuarial valuation shall use a preretirement interest assumption of six percent, a postretirement interest assumption of five percent, and an assumption that in each future year the salary on which a retirement or other benefit is based is 1.04 multiplied by the salary for the preceding year.



(c) For all other funds not specified in paragraph (a), (b), or (d), the actuarial valuation must use a preretirement interest assumption of five percent, a postretirement interest assumption of five percent, and a future salary increase assumption of 3.5 percent.

(d) For funds governed by chapters 3A, 352C, and 490, the actuarial valuation must use a preretirement interest assumption of 8.5 percent, a postretirement interest assumption of five percent, and a future salary increase assumption of ~~6.5~~ six percent in each future year in which the salary amount payable is not determinable from section 3.099, 15A.081, subdivision 6, or 15A.083, subdivision 1, whichever applies, or from applicable compensation council recommendations under section 15A.082.

Sec. 24. Minnesota Statutes 1991 Supplement, section 356.215, subdivision 4g, is amended to read:

Subd. 4g. [AMORTIZATION CONTRIBUTIONS.] (a) In addition to the exhibit indicating the level normal cost, the actuarial valuation must contain an exhibit indicating the additional annual contribution sufficient to amortize the unfunded actuarial accrued liability. For funds governed by chapters 3A, 352, 352B, 352C, 353, 353C, 354, 354A, and 490, the additional contribution must be calculated on a level percentage of covered payroll basis by the established date for full funding in effect when the valuation is prepared. The level percent additional contribution must be calculated assuming annual payroll growth of ~~6.5~~ six percent. For all other funds, the additional annual contribution must be calculated on a level annual dollar amount basis.

(b) For any fund other than the Minneapolis employees retirement fund, after the first actuarial valuation date occurring after June 1, 1989, if there has not been a change in the actuarial assumptions used for calculating the actuarial accrued liability of the fund, a change in the benefit plan governing annuities and benefits payable from the fund, a change in the actuarial cost method used in calculating the actuarial accrued liability of all or a portion of the fund, or a combination of the three, which change or changes by themselves without inclusion of any other items of increase or decrease produce a net increase in the unfunded actuarial accrued liability of the fund, the established date for full funding for the first actuarial valuation made after June 1, 1989, and each successive actuarial valuation is the first actuarial valuation date occurring after June 1, 2020.

(c) For any fund or plan other than the Minneapolis employees retirement fund, after the first actuarial valuation date occurring after June 1, 1989, if there has been a change in any or all of the actuarial assumptions used for calculating the actuarial accrued liability of the fund, a change in the benefit plan governing annuities and benefits payable from the fund, a change in the actuarial

cost method used in calculating the actuarial accrued liability of all or a portion of the fund, or a combination of the three, and the change or changes, by themselves and without inclusion of any other items of increase or decrease, produce a net increase in the unfunded actuarial accrued liability in the fund, the established date for full funding must be determined using the following procedure:

(i) the unfunded actuarial accrued liability of the fund must be determined in accordance with the plan provisions governing annuities and retirement benefits and the actuarial assumptions in effect before an applicable change;

(ii) the level annual dollar contribution or level percentage, whichever is applicable, needed to amortize the unfunded actuarial accrued liability amount determined under item (i) by the established date for full funding in effect before the change must be calculated using the interest assumption specified in subdivision 4d in effect before the change;

(iii) the unfunded actuarial accrued liability of the fund must be determined in accordance with any new plan provisions governing annuities and benefits payable from the fund and any new actuarial assumptions and the remaining plan provisions governing annuities and benefits payable from the fund and actuarial assumptions in effect before the change;

(iv) the level annual dollar contribution or level percentage, whichever is applicable, needed to amortize the difference between the unfunded actuarial accrued liability amount calculated under item (i) and the unfunded actuarial accrued liability amount calculated under item (iii) over a period of 30 years from the end of the plan year in which the applicable change is effective must be calculated using the applicable interest assumption specified in subdivision 4d in effect after any applicable change;

(v) the level annual dollar or level percentage amortization contribution under item (iv) must be added to the level annual dollar amortization contribution or level percentage calculated under item (ii);

(vi) the period in which the unfunded actuarial accrued liability amount determined in item (iii) is amortized by the total level annual dollar or level percentage amortization contribution computed under item (v) must be calculated using the interest assumption specified in subdivision 4d in effect after any applicable change, rounded to the nearest integral number of years, but not to exceed 30 years from the end of the plan year in which the determination of the established date for full funding using the procedure set forth in this clause is made and not to be less than the period of years beginning in the plan year in which the determination of the established date for full funding using the procedure set forth in this clause is made

and ending by the date for full funding in effect before the change;  
and

(vii) the period determined under item (vi) must be added to the date as of which the actuarial valuation was prepared and the date obtained is the new established date for full funding.

(d) For the Minneapolis employees retirement fund, the established date for full funding is June 30, 2020.

Sec. 25. Minnesota Statutes 1990, section 356.30, subdivision 1, is amended to read:

Subdivision 1. [ELIGIBILITY; COMPUTATION OF ANNUITY.]  
(1) Notwithstanding any provisions to the contrary of the laws governing the funds enumerated in subdivision 3, a person who has met the qualifications of clause (2) may elect to receive a retirement annuity from each fund in which the person has at least six months allowable service, based on the allowable service in each fund, subject to the provisions of clause (3).

(2) A person may receive upon retirement, in lieu of any augmentation of deferred annuities provided by laws governing the funds enumerated in subdivision 3, a retirement annuity from each fund in which the person has at least six months allowable service if

(a) the person has allowable service totaling an amount that allows the person to receive an annuity in any two or more of the enumerated funds;

(b) the person has at least six months of allowable service with the last such fund earned during the last period of employment; and

(c) the person has not begun to receive an annuity from any enumerated fund or the person has made application for benefits from all funds within a six-month period.

(3) The retirement annuity from each fund shall be based upon the allowable service in each fund, except that:

(a) The laws governing annuities shall be the law in effect on the date of final termination from the last public service under a covered fund.

(b) The "average salary" on which the annuity from each covered fund in which the employee has credit in a formula plan shall be based on the employee's highest five successive years of covered salary during the entire service in covered funds.

(c) The formula percentages to be used by each fund shall be those percentages prescribed by each fund's formula as continued for the respective years of allowable service from one fund to the next, recognizing all previous allowable service with the other covered funds.

(d) Allowable service in all the funds shall be combined in determining eligibility for and the application of each fund's provisions in respect to actuarial reduction in the benefit amount for retirement prior to normal retirement.

(e) The benefit amount payable for any allowable service under a nonformula plan of a covered fund shall not be affected but such service and covered salary shall be used in the above calculation.

(f) This section shall not apply to any person whose final termination from the last public service under a covered fund is prior to May 1, 1975.

(g) For the purpose of computing benefits under this section the formula percentages used by any covered fund shall in no event exceed  $2\frac{1}{2}$  2.7 percent per year of service for any year of service or fraction thereof.

(h) Any period of time for which a person has credit in more than one of the covered funds shall be used only once for the purpose of determining total allowable service.

(i) If the period of duplicated service credit is more than six months, or the person has credit for more than six months with each of the funds, each fund shall apply its formula to a prorated service credit for the period of duplicated service based on a fraction of the salary on which deductions were paid to that fund for the period divided by the total salary on which deductions were paid to all funds for the period.

(j) If the period of duplicated service credit is less than six months, or when added to other service credit with that fund is less than six months, the service credit shall be ignored and a refund of contributions made to the person in accord with that fund's refund provisions.

Sec. 26. Minnesota Statutes 1990, section 422A.10, subdivision 1, is amended to read:

Subdivision 1. There shall be deducted and withheld from the basic salary, pay or compensation of each employee in the contributing class, prior to January 1, 1980 an amount equal to  $7\frac{1}{4}$  percent, after December 31, 1979 but prior to January 1, 1981 an amount equal to  $8\frac{1}{4}$  percent and after December 31, 1980 an

amount equal to ~~9-1/4~~ ... percent of such salary, pay or compensation, except as hereinafter provided. The retirement board may increase the percentage rate of contribution to the retirement fund of any employee or employees for the purpose of establishing and maintaining on an actuarial basis a plan of insurance, survivors' benefits, or other type of benefit or benefits, the cost of which shall be paid out of such extra percentage so authorized and deducted from the employee's compensation, except as hereinafter provided. Any plan or plans so established and placed in operation may be amended from time to time, or may be abandoned, but if abandoned, any surplus remaining from the operation of a plan shall be the property of the fund, and shall be credited to the reserve for loss in investment account.

Sec. 27. Minnesota Statutes 1990, section 422A.15, subdivision 1, is amended to read:

Subdivision 1. Except as otherwise provided in subdivision 3, each contributing member who, at the time of retirement, fulfills the conditions necessary to enable the member to retire, shall receive what shall be known as a "formula pension and annuity" equal to ~~two~~ 2.1 percent for each year of allowable service for the first ten years and thereafter ~~2.5~~ 2.6 percent per year of allowable service of the arithmetic average annual salary, wages or compensation of the member from the city for any five calendar years out of the last ten calendar years of service except as provided for in section 422A.16, which may include the year in which the employee retires, as selected by the employee, multiplied by the years of service credited by the retirement fund. The formula pension and annuity shall be computed on the single life plan but subject to the option selections provided for in section 422A.17.

In order to be entitled to the formula pension and annuity herein provided for, the retiring employee at the time of cessation of employment and of actual retirement shall have attained the age of 60 years or have been employed by the city not less than 30 years, or meet the qualifications provided for in section 422A.16, and in addition thereto have contributed to the retirement fund at the percentage rate prescribed by the retirement law applicable when the salary, wages or compensation was paid on all salaries, wages, or compensation received from the city or from an applicable employing unit. The years of service to be applied in the formula pension and annuity shall be found and determined by the retirement board, except that no credit shall be allowed for any year in which a back charge is owing at time of retirement and the earnings from any year in which a back charge is owing shall not be used in determining the average annual salary.

Sec. 28. [FIRST CLASS CITY TEACHER FUNDS.]

Subdivision 1. [AUTHORITY GRANTED TO INCREASE FOR-

MULAS.] In accordance with Minnesota Statutes, section 354A.12, subdivision 4, approval is granted for the teachers retirement fund associations in each of the cities of the first class to amend their articles of incorporation or bylaws in the manner specified in this section. The amendments in this section apply only to basic members in the Minneapolis teachers retirement fund association and the St. Paul teachers retirement fund association, and to old law coordinated program members in the Duluth teachers retirement fund association.

Subd. 2. [PERMISSIBLE INCREASES.] The formula percentages for persons specified in subdivision 1 may be increased as follows:

(1) for the Minneapolis teachers retirement fund, 2.6 instead of 2.5 percent for each year of service;

(2) for the St. Paul teachers retirement fund, 2.1 instead of 2.0 percent for each year of service for persons whose annuity is calculated under Laws 1989, chapter 319, article 13, section 94, paragraph (a), and 2.6 instead of 2.5 percent for persons whose annuity is calculated under authority of Laws 1989, chapter 319, article 13, section 94, paragraphs (b) and (c);

(3) for the Duluth teachers retirement fund old coordinated plan, 1.35 instead of 1.25 percent for each year of service for persons whose annuity is calculated under Laws 1989, chapter 319, article 13, section 94, paragraph (a), and 1.6 instead of 1.5 percent for persons whose annuity is calculated under Laws 1989, chapter 319, article 13, section 94, paragraphs (b) and (c).

Sec. 29. [EFFECTIVE DATE.]

Sections 3, 6, 7, 10, 11, 13, 14, 15, 16, 19, 22, 23, 24, 25, 27, and 28 are effective May 16, 1993. Sections 1, 2, 4, 5, 8, 9, 12, 17, 18, 20, 21, and 26 are effective the first full payroll period beginning after July 1, 1993."

Delete the title and insert:

"A bill for an act relating to retirement; providing increases in benefits and employer and employee contributions for members of certain public employee pension plans; amending Minnesota Statutes 1990, sections 352.04, subdivisions 2 and 3; 352.115, subdivision 3; 352.92, subdivisions 1 and 2; 352.93, subdivision 2; 352.95, subdivision 1; 352B.02, subdivisions 1a and 1c; 352B.08, subdivision 2; 352B.10, subdivision 1; 353.27, subdivision 2; 353.29, subdivision 3; 353.651, subdivision 3; 353.656, subdivision 1; 354.42, subdivisions 2 and 3; 354.44, subdivision 6; 354A.12, subdivisions 1 and 2; 354A.31, subdivision 4; 356.30, subdivision 1; 422A.10, subdivision

1; 422A.15, subdivision 1; Minnesota Statutes 1991 Supplement, section 353C.06, subdivision 3; 356.215, subdivisions 4d and 4g.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 1951, A bill for an act relating to workers' compensation; modifying insurance regulations; permitting adoption of administrative rules; providing hearing procedures; appropriating money; amending Minnesota Statutes 1990, sections 79.01, subdivision 1; 79.074, by adding subdivisions; 79.252, by adding a subdivision; 79.50; 79.59; 176.185, subdivision 1; and 176A.03, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 79.

Reported the same back with the following amendments:

Page 1, line 12, delete “ARTICLE 1”

Page 3, line 6, delete “the effective date of this section” and insert “March 31, 1992”

Page 3, line 33, before “Rates” insert “Except as provided in subdivision 2,”

Page 3, line 35, delete “the effective date of this article” and insert “July 1, 1992,”

Page 4, delete lines 2 to 4

Page 14, line 3, delete “one each”

Page 24, line 21, after “6” insert “, 7,”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 1958, A bill for an act relating to juveniles; establishing a youth employment and education pilot program; appropriating money for the pilot program and for family-based services under the family preservation act.

Reported the same back with the following amendments:

Page 1, delete section 1 and insert:

“Section 1. [145.9265] [FETAL ALCOHOL SYNDROME AND EFFECTS AND DRUG-EXPOSED INFANT PREVENTION.]

The commissioner of health, in coordination with the commissioner of education and the commissioner of human services, shall design and implement a coordinated prevention effort to reduce the rates of fetal alcohol syndrome and fetal alcohol effects, and reduce the number of drug-exposed infants. The commissioner shall:

(1) conduct research to determine the most effective methods of preventing fetal alcohol syndrome, fetal alcohol effects, and drug-exposed infants and to determine the best methods for collecting information on the incidence and prevalence of these problems in Minnesota;

(2) provide training on effective prevention methods to health care professionals and human services workers; and

(3) operate a statewide media campaign focused on reducing the incidence of fetal alcohol syndrome and fetal alcohol effects, and reducing the number of drug-exposed infants.

Sec. 2. Minnesota Statutes 1990, section 241.021, is amended by adding a subdivision to read:

Subd. 4a. [CHEMICAL DEPENDENCY TREATMENT PROGRAMS.] All residential chemical dependency treatment programs operated by the commissioner of corrections to treat adults and juveniles committed to the commissioner's custody shall comply with the standards mandated in Minnesota Rules, parts 9530.4100 to 9530.4450, for treatment programs operated by community-based residential treatment facilities.

Sec. 3. Minnesota Statutes 1990, section 254A.14, is amended by adding a subdivision to read:

Subd. 3. [GRANTS FOR TREATMENT OF HIGH-RISK YOUTH.]



The commissioner of human services shall award grants on a pilot project basis to develop culturally specific chemical dependency treatment programs for minority and other high-risk youth, including those enrolled in area learning centers, those presently in residential chemical dependency treatment, and youth currently under commitment to the commissioner of corrections or detained under chapter 260. Proposals submitted under this section shall include an outline of the treatment program components, a description of the target population to be served, and a protocol for evaluating the program outcomes.

Sec. 4. Minnesota Statutes 1990, section 254A.17, subdivision 1, is amended to read:

Subdivision 1. [MATERNAL AND CHILD SERVICE PROGRAMS.] (a) The commissioner shall fund maternal and child health and social service programs designed to improve the health and functioning of children born to mothers using alcohol and controlled substances. Comprehensive programs shall include immediate and ongoing intervention, treatment, and coordination of medical, educational, and social services through a child's preschool years. Programs shall also include research and evaluation to identify methods most effective in improving outcomes among this high-risk population.

(b) The commissioner of human services shall develop models for the treatment of children ages 6 to 12 who are in need of chemical dependency treatment. The commissioner shall fund at least two pilot projects with qualified providers to provide nonresidential treatment for children in this age group. Model programs must include a component to monitor and evaluate treatment outcomes.

Sec. 5. Minnesota Statutes 1990, section 254A.17, is amended by adding a subdivision to read:

Subd. 1a. [PROGRAM FOR PREGNANT WOMEN AND WOMEN WITH CHILDREN.] Within the limits of funds available, the commissioner of human services shall fund programs providing specialized chemical dependency treatment for pregnant women and women with children. The programs shall provide prenatal care, child care, housing assistance, and other services needed to ensure successful treatment.

Sec. 6. Minnesota Statutes 1990, section 260.151, subdivision 1, is amended to read:

Subdivision 1. Upon request of the court the county welfare board or probation officer shall investigate the personal and family history and environment of any minor coming within the jurisdiction of the court under section 260.111 and shall report its findings to the court. The court may order any minor coming within its jurisdiction to be

examined by a duly qualified physician, psychiatrist, or psychologist appointed by the court.

The court shall have a chemical use assessment conducted when: (1) a child is (4) found to be delinquent for violating a provision of chapter 152, or; (2) a child is alleged to be delinquent for violating a provision of chapter 152, if the child is being held in custody under a detention order; or (3) a child has violated a condition of release imposed by the court under section 260.172, subdivision 2c, relating to abstinence from the use of chemicals. The assessor's qualifications and the assessment criteria shall comply with Minnesota Rules, parts 9530.6600 to 9530.6655. If funds under chapter 254B are to be used to pay for the recommended treatment, the assessment and placement must comply with all provisions of Minnesota Rules, parts 9530.6600 to 9530.6655 and 9530.7000 to 9530.7030. The commissioner of public safety shall reimburse the court for the cost of the chemical use assessment, up to a maximum of \$100.

With the consent of the commissioner of corrections and agreement of the county to pay the costs thereof, the court may, by order, place a minor coming within its jurisdiction in an institution maintained by the commissioner for the detention, diagnosis, custody and treatment of persons adjudicated to be delinquent, in order that the condition of the minor be given due consideration in the disposition of the case. Adoption investigations shall be conducted in accordance with the laws relating to adoptions. Any funds received under the provisions of this subdivision shall not cancel until the end of the fiscal year immediately following the fiscal year in which the funds were received. The funds are available for use by the commissioner of corrections during that period and are hereby appropriated annually to the commissioner of corrections as reimbursement of the costs of providing these services to the juvenile courts.

Sec. 7. Minnesota Statutes 1990, section 260.172, is amended by adding a subdivision to read:

Subd. 2c. [CONDITIONS OF RELEASE.] If the court releases from detention a child alleged to have committed a delinquent act, the court may impose reasonable conditions of release on the child including, but not limited to, a requirement that the child abstain from the use of alcohol and drugs. If the child violates a condition of release requiring abstinence from the use of chemicals, the court shall order a chemical use assessment as provided in section 260.151, subdivision 1.

Sec. 8. Minnesota Statutes 1991 Supplement, section 299A.30, subdivision 2, is amended to read:

Subd. 2. [DUTIES.] (a) The assistant commissioner shall gather and make available information on prevention and supply reduction

activities throughout the state, foster cooperation among involved state and local agencies, and assist agencies and public officials in training and other programs designed to improve the effectiveness of prevention and supply reduction activities.

(b) The assistant commissioner shall coordinate the distribution of funds received by the state of Minnesota through the federal Anti-Drug Abuse Act. The assistant commissioner shall recommend to the commissioner recipients of grants under sections 299A.33 and 299A.34, after consultation with the chemical abuse prevention resource council.

(c) The assistant commissioner shall:

(1) after consultation with all state agencies involved in prevention or supply reduction activities, develop a state chemical abuse and dependency strategy encompassing the efforts of those agencies and taking into account all money available for prevention and supply reduction activities, from any source;

(2) submit the strategy to the governor and the legislature by January 15 of each year, along with a summary of prevention and supply reduction activities during the preceding calendar year;

(3) assist appropriate professional and occupational organizations, including organizations of law enforcement officers, prosecutors, and educators, in developing and operating informational and training programs to improve the effectiveness of prevention and supply reduction activities;

(4) provide information, including information on drug trends, and assistance to state and local agencies, both directly and by functioning as a clearinghouse for information from other agencies;

(5) facilitate cooperation among drug program agencies; and

(6) in coordination with the chemical abuse prevention resource council, review, approve, and coordinate the administration of prevention, criminal justice, and treatment grants.

Sec. 9. Minnesota Statutes 1991 Supplement, section 299A.31, subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT; MEMBERSHIP.] A chemical abuse prevention resource council consisting of 17 19 members is established. The commissioners of public safety, education, health, corrections, and human services, the director of the office of strategic and long-range planning, and the attorney general shall each appoint one member from among their employees. The speaker of the house of representatives and the subcommittee on committees of

the senate shall each appoint a legislative member. The governor shall appoint an additional ten members who shall represent the demographic and geographic composition of the state and, to the extent possible, shall represent the following: public health; education including preschool, elementary, and higher education; social services; financial aid services; chemical dependency treatment; law enforcement; prosecution; defense; the judiciary; corrections; treatment research professionals; drug abuse prevention professionals; the business sector; religious leaders; representatives of racial and ethnic minority communities; and other community representatives. The members shall designate one of the governor's appointees as chair of the council. Compensation and removal of members are governed by section 15.059.

Sec. 10. Minnesota Statutes 1991 Supplement, section 299A.32, subdivision 2a, is amended to read:

Subd. 2a. [GRANT PROGRAMS.] The council shall, in coordination with the assistant commissioner of the office of drug policy, review and approve state agency plans regarding the use of federal funds for programs to reduce chemical abuse or reduce the supply of controlled substances. The appropriate state agencies would have responsibility for management of state and federal drug grant programs.

Sec. 11. [299A.325] [STATE CHEMICAL HEALTH INDEX MODEL.]

The assistant commissioner of the office of drug policy and the chemical abuse prevention resource council shall develop and test a chemical health index model to help assess the state's chemical health and coordinate state policy and programs relating to chemical abuse prevention and treatment. The chemical health index model shall assess a variety of factors known to affect the use and abuse of chemicals in different parts of the state including, but not limited to, demographic factors, risk factors, health care utilization, drug-related crime, productivity, resource availability, and overall health.

Sec. 12. [STUDY; DEPARTMENT OF CORRECTIONS.]

The commissioner of corrections, in collaboration with the commissioner of human services and the assistant commissioner of the office of drug policy, shall conduct a comprehensive study of the availability and quality of appropriate treatment programs within the criminal or juvenile justice system for adult and juvenile offenders who are chemically dependent or abuse chemicals. In particular, the commissioner shall investigate the extent to which the lack of culturally oriented treatment programs for minority youth has contributed to disparate and more punitive treatment of these youth by the juvenile justice system. As part of this study, the

commissioner shall determine the cost of expanding the availability of culturally oriented treatment programs to all adult and juvenile offenders who are in need of treatment. The commissioner shall report the study's findings and recommendations to the legislature by February 1, 1993.

Sec. 13. [STATEWIDE MEDIA CAMPAIGN.]

The commissioner of health, in collaboration with the commissioner of human services and the commissioner of public safety, shall design and implement a statewide mass media campaign for the promotion of chemical health. The campaign must use both traditional and nontraditional media and focus on and support chemical health activities conducted at the community level with diverse and targeted populations. The campaign must last a minimum of six months and be coordinated with local school and community educational efforts, policy, skills training, and behavior modeling."

Page 3, delete line 25 and insert:

"Sec. 14. [APPROPRIATIONS; DEPARTMENT OF HEALTH.]

Subdivision 1. [ALCOHOL AND DRUG-EXPOSED INFANT PREVENTION.] \$..... is appropriated from the general fund to the commissioner of health for the fiscal year ending June 30, 1993, for purposes of section 1.

Subd. 2. [COMMUNITY CHEMICAL ABUSE PREVENTION GRANTS.] \$..... is appropriated from the general fund to the commissioner of health for the fiscal year ending June 30, 1993, for the community chemical abuse prevention grant program established in Minnesota Statutes, section 144.401.

Subd. 3. [STATEWIDE MEDIA CAMPAIGN.] \$..... is appropriated from the general fund to the commissioner of health for the fiscal year ending June 30, 1993, for the purposes of section 13.

Sec. 15. [APPROPRIATIONS; DEPARTMENT OF HUMAN SERVICES.]

Subdivision 1. [PROGRAMS FOR HIGH-RISK YOUTH.] \$..... is appropriated from the general fund to the commissioner of human services for the fiscal year ending June 30, 1993, for purposes of funding programs under section 3.

Subd. 2. [TREATMENT PROGRAMS FOR CHILDREN.] \$..... is appropriated from the general fund to the commissioner of human services for the fiscal year ending June 30, 1993, for purposes of funding pilot projects under section 4.

Subd. 3. [PROGRAMS FOR PREGNANT WOMEN AND WOMEN WITH CHILDREN.] \$..... is appropriated from the general fund to the commissioner of human services for the fiscal year ending June 30, 1993, for purposes of funding programs under section 5.

Subd. 4. [CHEMICAL USE ASSESSMENTS.] \$..... is appropriated from the general fund to the commissioner of human services for the fiscal year ending June 30, 1993, to pay for chemical use assessments ordered by juvenile courts under section 7."

Page 3, line 26, delete "(b)" and insert "Subd. 5. [FAMILY-BASED SERVICES.]"

Page 3, delete section 3 and insert:

"Sec. 16. [APPROPRIATIONS; DEPARTMENT OF PUBLIC SAFETY.]

Subdivision 1. [OFFICE OF DRUG POLICY.] \$..... is appropriated from the general fund to the commissioner of public safety, office of drug policy, for the fiscal year ending June 30, 1993, to be used to pay operating expenses of the office and of the chemical abuse prevention resource council. The approved complement of the office of drug policy is increased by .. positions.

Subd. 2. [CHEMICAL HEALTH INDEX MODEL.] \$..... is appropriated from the general fund to the commissioner of public safety, office of drug policy, for the fiscal year ending June 30, 1993, to be used to pay the cost of developing and testing the chemical health index model described in section 11."

Delete the title and insert:

"A bill for an act relating to chemical abuse prevention and treatment; requiring coordinated prevention efforts concerning fetal alcohol syndrome and drug-exposed infants; appropriating money for community chemical abuse prevention program grants; providing grants for chemical dependency programs targeted at pregnant women and mothers, high-risk youth, and young children; requiring chemical use assessments for certain juveniles at an earlier stage of the juvenile court process; clarifying the duties of the office of drug policy and the chemical abuse prevention resource council; expanding the council's membership; requiring the development of a chemical health index model; requiring a statewide chemical health media campaign; appropriating money; amending Minnesota Statutes 1990, sections 241.021, by adding a subdivision; 254A.14, by adding a subdivision; 254A.17, subdivision 1, and by adding a subdivision; 260.151, subdivision 1; and 260.172, by adding a subdivision; Minnesota Statutes 1991 Supplement, sections 299A.30, subdivision 2; 299A.31, subdivision 1; and 299A.32, sub-

division 2a; proposing coding for new law in Minnesota Statutes, chapters 145; and 299A.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 1960, A bill for an act relating to retirement; changing the formula governing calculation of postretirement adjustments for certain public pension plans; amending Minnesota Statutes 1990, section 11A.18, subdivision 9.

Reported the same back with the following amendments:

Page 1, line 18, after “workers” insert “all items index” and after “the” insert “Bureau of Labor Statistics of the”

Page 3, line 10, after “reserves” insert “, as adjusted for mortality gains and losses under subdivision 11,”

Page 3, line 11, after “eligible” insert “and ineligible”

Page 3, line 25, delete the second “the”

Page 3, line 26, delete “next”

Page 4, line 1, delete “the sum of: (i)”

Page 4, line 2, delete everything after “(2)”

Page 4, delete line 3

Page 4, line 4, delete everything before the period

Page 5, line 33, before “In” insert “(a)”

Page 6, after line 13, insert:

“(b) The state board of investment shall not add the percentage amount listed in paragraph (a) to the increase in the Consumer Price Index if the percentage increase determined under section 11A.18, subdivision 9, paragraph (c), without adding any percentage to the Consumer Price Index under paragraph (a), would be equal to

or greater than the percentage amount to be added to the Consumer Price Index under paragraph (a) for that year.

(c) If a percentage amount listed in paragraph (a) is added to the increase in the Consumer Price Index for a year, any percentage determined under section 11A.18, subdivision 9, paragraph (c), may not be used in calculating a postretirement adjustment for that year."

Page 6, line 15, delete "1993" and insert "1992"

Page 6, line 19, after the period insert "The calculations made to determine the amount of a postretirement adjustment to be paid beginning January 1, 1993, and the payment of this adjustment, must be based on the law in effect on the day before the effective date of sections 1 and 2."

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 1965, A bill for an act relating to natural resources; providing for the management of ecologically harmful exotic species; requiring rulemaking; providing penalties; appropriating money; amending Minnesota Statutes 1990, sections 18.317, subdivisions 1, 2, 3, 5, and by adding a subdivision; 86B.401, subdivision 11; Minnesota Statutes 1991 Supplement, section 84.9691; proposing coding for new law in Minnesota Statutes, chapters 84; and 97A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1990, section 18.317, subdivision 1, is amended to read:

Subdivision 1. [TRANSPORTATION PROHIBITED.] Except as provided in subdivision 2, a person may not transport Eurasian or Northern water milfoil, myriophyllum spicatum or exalbescens, zebra mussels, or other water-transmitted harmful exotic species identified by the commissioner of natural resources on a road or highway, as defined in section 160.02, subdivision 7, or on forest roads.



Sec. 2. Minnesota Statutes 1990, section 18.317, subdivision 2, is amended to read:

Subd. 2. [EXCEPTION.] A person may transport Eurasian or Northern water milfoil, *myriophyllum spicatum* or *exalbescens*, or other water-transmitted harmful exotic species identified by the commissioner of natural resources for disposal as part of a harvest or control activity.

Sec. 3. Minnesota Statutes 1990, section 18.317, subdivision 3, is amended to read:

Subd. 3. [LAUNCHING OF WATERCRAFT WITH EURASIAN OR NORTHERN WATER MILFOIL PROHIBITED.] (a) A person may not place a trailer or launch a watercraft with Eurasian or Northern water milfoil, zebra mussels, or other water-transmitted harmful exotic species identified by the commissioner of natural resources attached into waters of the state. A conservation officer or other licensed peace officer may order the removal of Eurasian or Northern water milfoil, zebra mussels, or other water-transmitted harmful exotic species identified by the commissioner of natural resources from a trailer or watercraft before being placed or launched into waters of the state.

(b) For purposes of this section, the meaning of watercraft includes a float plane and "waters of the state" has the meaning given in section 103G.005, subdivision 17.

Sec. 4. Minnesota Statutes 1990, section 18.317, is amended by adding a subdivision to read:

Subd. 3a. [INSPECTION OF WATERCRAFT AND EQUIPMENT.] (a) Licensed watercraft and associated equipment, including weed harvesters, that are removed from any waters of the state which are identified as being contaminated with Eurasian water milfoil, zebra mussels, or other water-transmitted exotic harmful species identified by the commissioner of natural resources, shall be inspected as described in paragraphs (b) and (c).

(b) From May 1 to October 15, on the five bodies of water that the commissioner determines have the greatest potential for transmitting exotic harmful species, equipment must be inspected for a minimum of 16 hours per day as follows:

(1) equipment leaving a commercial access point must be inspected by the owner or operator of the access point; and

(2) equipment leaving public access points must be inspected by authorized department of natural resources personnel.

(c) Equipment leaving commercial and public access points on bodies of water other than the five described in paragraph (b), must be randomly inspected by authorized department of natural resources personnel.

Sec. 5. Minnesota Statutes 1990, section 18.317, subdivision 5, is amended to read:

Subd. 5. [PENALTY.] A person who violates subdivision 1 or 3, or 3a is guilty of a misdemeanor. A person who refuses to obey the order of a peace officer or conservation officer to remove Eurasian or Northern water milfoil from a trailer or watercraft is guilty of a misdemeanor.

Sec. 6. [84.9681] [PLAN FOR CONTAINMENT.]

(a) By January 1, 1993, the commissioner shall prepare a plan for lake associations, local groups, and local units of government that provides education in the identification and detection of new infestations of ecologically harmful exotic species. The plan shall include a review of the effectiveness of including lake associations in the management of infestations of ecologically harmful exotic species.

(b) By January 1, 1993, the commissioner shall develop a plan for the containment of ecologically harmful exotic species, which plan must be in effect by May 1, 1993, that:

(1) provides signs on access points to infested waters that notify users of exotic management laws in effect and identify the species that is present;

(2) provides that permits for organized events on waters of the state include a reasonable and workable requirement for inspection of boats and equipment;

(3) allows access points infested with exotic species to be closed for control or eradication purposes. The access point may not be closed for more than seven days. Signs shall be posted stating the reason as to why the access is closed;

(4) establishes fines for violations of exotic species containment and prevention program;

(5) develops general statewide public awareness programs and accelerated public awareness programs in communities with infested waters to call attention to containment and prevention programs and rules;

(6) provides for signs on major entry points of the state that

provide notice to travelers of penalties for violation of exotic species laws;

(7) authorizes local units of government to take commissioner approved action against exotic species infestations;

(8) includes feasibility evaluation and economic and recreational justification review of an Eurasian water milfoil eradication program in the state; and

(9) provides for the regulation of harvesting live bait from water infested with zebra mussels or other egg or larval water-transmitted harmful exotic species identified by the commissioner.

Sec. 7. Minnesota Statutes 1991 Supplement, section 84.9691, is amended to read:

84.9691 [RULEMAKING.]

(a) The commissioner of natural resources may adopt rules, including emergency rules, to restrict the introduction, propagation, use, possession, and spread of ecologically harmful exotic animals and aquatic plants in the state.

(b) The commissioner shall adopt rules to identify bodies of water with limited infestation of Eurasian water milfoil. The areas that are infested shall be marked and prohibited for use.

(c) The commissioner shall adopt rules that allow for the reasonable chemical eradication of Eurasian water milfoil, extend treatment dates for the eradication of Eurasian water milfoil, and suspend bans on testing of bottom barriers.

Sec. 8. Minnesota Statutes 1990, section 86B.401, subdivision 11, is amended to read:

Subd. 11. [SUSPENSION FOR NOT REMOVING EURASIAN OR NORTHERN WATER MILFOIL.] The commissioner, after notice and an opportunity for hearing, may suspend for a period of not more than one year the license of a watercraft if the owner or person in control of the watercraft or its trailer refuses to comply with an inspection order of a conservation officer or other licensed peace officer or an order to remove Eurasian or Northern water milfoil, myriophyllum spicatum or exalbescens, zebra mussels or other ecologically harmful species identified by the commissioner from the watercraft or its trailer as provided in section 18.317, subdivision 3.

Sec. 9. Minnesota Statutes 1991 Supplement, section 86B.415, subdivision 7, is amended to read:

Subd. 7. [WATERCRAFT SURCHARGE.] A surcharge of \$2 \$4 is placed on each watercraft licensed under subdivisions 1 to 5 for control, public awareness, law enforcement, monitoring, and research of nuisance aquatic exotic species such as zebra mussel, purple loosestrife, and Eurasian water milfoil in public waters and public wetlands.

Sec. 10. [APPROPRIATIONS.]

\$..... is appropriated to the commissioner of natural resources for the purposes of sections 1 to 9. Fifty percent of the appropriation must come from the water recreation account and 50 percent from the general fund."

Delete the title and insert:

"A bill for an act relating to natural resources; providing for the management of ecologically harmful exotic species; requiring rule-making; providing penalties; appropriating money; amending Minnesota Statutes 1990, sections 18.317, subdivisions 1, 2, 3, 5, and by adding a subdivision; 86B.401, subdivision 11; Minnesota Statutes 1991 Supplement, sections 84.9691; and 86B.415, subdivision 7; proposing coding for new law in Minnesota Statutes, chapter 84."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Vellenga from the Committee on Judiciary to which was referred:

H. F. No. 1975, A bill for an act relating to corrections; requiring community-based sex offender treatment programs to be certified; establishing a sex offender treatment fund; requiring the legislative auditor to prepare a plan to implement an outcome-based evaluation and quality management system for sex offender treatment programs; requiring a report; amending Minnesota Statutes 1990, section 241.67, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 241.

Reported the same back with the following amendments:

Page 9, delete section 5, and insert:

"Sec. 5. [SEX OFFENDER TREATMENT; PILOT PROGRAM.]

The commissioners of corrections and human services shall administer a grant to create a pilot program to test the effectiveness of pharmacological agents, such as antiandrogens, in the treatment of sex offenders, including psychopathic personalities.

Participation in the study must be by volunteers who meet defined criteria. The commissioner of corrections shall report to the legislature by February 1, 1993, regarding the preliminary results of the study.

Sec. 6. [APPROPRIATION; DEPARTMENTS OF CORRECTIONS AND HUMAN SERVICES.]

\$. . . . . is appropriated from the general fund to the commissioners of human services and corrections for the fiscal year ending June 30, 1993, for the pilot program described in section 5."

Renumber the remaining section

Amend the title as follows:

Page 1, line 4, delete "requiring"

Page 1, delete lines 5 and 6

Page 1, line 7, delete everything before "requiring"

Page 1, line 8, before "amending" insert "authorizing creation of a pilot program to test the effectiveness of certain pharmacological agents in the treatment of sex offenders; appropriating money;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 1978, A bill for an act relating to health; regulating ionizing radiation; delaying the effective date of existing quality assurance rules; requiring the adoption of quality assurance rules for the practice of dentistry.

Reported the same back with the following amendments:

Page 1, delete lines 9 to 17 and insert:

“Subdivision 1. [DELAY OF APPLICATION OF PARTS OF EXISTING RULES.] Except as they relate to mammographic procedures, Minnesota Rules, parts 4730.1655; 4730.1670; 4730.1675, subpart 1; 4730.1688; 4730.1690, subpart 1; and 4730.1691, subparts 1 to 3, 4, items A to I and K, subparts 7, 9, and 11, items A to D and F, and subpart 12, are not effective before March 15, 1993. Unless amended pursuant to subdivision 2, all of the rules cited in this subdivision are effective March 15, 1993.

Subd. 2. [RULEMAKING.] The commissioner of health shall review the rules listed in subdivision 1 in order to determine their appropriateness for and application to medical, dental, chiropractic, podiatric, osteopathic, and veterinary medicine facilities. As part of this review the commissioner shall consult with those health-related licensing boards defined in section 214.01 which are subject to the provisions of the ionizing radiation rules, and the commissioner shall also consult with representatives of the affected health care professions.”

Delete the title and insert:

“A bill for an act relating to health; regulating ionizing radiation; delaying the effective date of certain rules; requiring their review by the commissioner of health.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 1992, A bill for an act relating to human services; requiring child care centers to offer a choice of cloth or disposable diapers; amending Minnesota Statutes 1990, section 245A.14, by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Rules and Legislative Administration.

The report was adopted.

Anderson, I., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2033, A bill for an act relating to the city of St. Paul; setting the maximum amounts and other conditions for the issuance

of capital improvement bonds; amending Laws 1971, chapter 773, section 1, subdivision 2, as amended; and section 2, as amended.

Reported the same back with the following amendments:

Page 2, line 1, delete "1989" and insert "1998"

Page 2, line 9, delete "1998" and insert "1992"

Page 2, line 13, after "(6)" insert "or for youth development, service, or employment programs of a capital nature"

Page 2, after line 33, insert:

"Sec. 3. [JOINT TAX ADVISORY COMMITTEE.]

The city of St. Paul, independent school district No. 625, and Ramsey county may establish a St. Paul joint tax levy advisory committee. The committee shall elect a chair from among its members and shall meet from time to time to make appropriate recommendations for the efficient and effective use of property tax dollars raised by levies by the jurisdictions for programs, buildings, and operations."

Page 2, line 35, delete "This act is" and insert "Sections 1 and 2 are"

Renumber remaining section in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon insert "establishing a joint city, county, school district tax levy advisory committee;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 2034, A bill for an act relating to health; allowing persons who voluntarily provide assistance at the scene of an accident to obtain test results to determine whether they have been

exposed to HIV or hepatitis B; amending Minnesota Statutes 1990, section 144.761, subdivision 5.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 2050, A bill for an act relating to public health; providing for the reporting and monitoring of certain licensed health care workers who are infected with the human immunodeficiency virus or hepatitis B virus; authorizing rulemaking for certain health-related licensing boards; providing penalties; appropriating money; amending Minnesota Statutes 1990, sections 144.054; 144.55, subdivision 3; 147.091, subdivision 1; 148.261, subdivision 1; 150A.08, subdivision 1; 153.19, subdivision 1; and 214.12; proposing coding in Minnesota Statutes, chapters 150A; and 214.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1990, section 144.054, is amended to read:

144.054 [SUBPOENA POWER.]

Subdivision 1. The commissioner may, as part of an investigation to determine whether a serious health threat exists or to locate persons who may have been exposed to an agent which can seriously affect their health, issue subpoenas to require the attendance and testimony of witnesses and production of books, records, correspondence, and other information relevant to any matter involved in the investigation. The commissioner or the commissioner's designee may administer oaths to witnesses or take their affirmation. The subpoenas may be served upon any person named therein anywhere in the state by any person authorized to serve subpoenas or other processes in civil actions of the district courts. If a person to whom a subpoena is issued does not comply with the subpoena, the commissioner may apply to the district court in any district and the court shall order the person to comply with the subpoena. Failure to obey the order of the court may be punished by the court as contempt of court. Except as provided in subdivision 2, no person may be compelled to disclose privileged information as described in section 595.02, subdivision 1. All information pertaining to individual medical records obtained under this section shall be considered



health data under section 13.38. The fees for the service of a subpoena must be paid in the same manner as prescribed by law for a service of process issued out of a district court. Witnesses must receive the same fees and mileage as in civil actions.

Subd. 2. The commissioner may subpoena privileged medical information of patients who may have been exposed by a licensed dental hygienist, dentist, physician, nurse, podiatrist, a registered dental assistant or a physician's assistant who is infected with the human immunodeficiency virus (HIV) or hepatitis B virus (HBV) when the commissioner has determined that it may be necessary to notify those patients that they may have been exposed to HIV or HBV.

Sec. 2. Minnesota Statutes 1990, section 144.55, subdivision 3, is amended to read:

Subd. 3. [STANDARDS FOR LICENSURE.] (a) Notwithstanding the provisions of section 144.56, for the purpose of hospital licensure, the commissioner of health shall use as minimum standards the hospital certification regulations promulgated pursuant to Title XVIII of the Social Security Act, United States Code, title 42, section 1395, et. seq. The commissioner may use as minimum standards changes in the federal hospital certification regulations promulgated after May 7, 1981 if the commissioner finds that such changes are reasonably necessary to protect public health and safety. The commissioner shall also promulgate in rules additional minimum standards for new construction.

(b) Each hospital shall establish policies and procedures to prevent the transmission of human immunodeficiency virus and hepatitis B virus to patients and within the health care setting. The policies and procedures shall be developed in conformance with the most recent recommendations issued by the United States Department of Health and Human Services, Public Health Service, Centers for Disease Control. The commissioner of health shall evaluate a hospital's compliance with the policies and procedures according to subdivision 4.

Sec. 3. Minnesota Statutes 1990, section 147.091, subdivision 1, is amended to read:

Subdivision 1. [GROUNDS LISTED.] The board may refuse to grant a license or may impose disciplinary action as described in section 147.141 against any physician. The following conduct is prohibited and is grounds for disciplinary action:

(a) Failure to demonstrate the qualifications or satisfy the requirements for a license contained in this chapter or rules of the board. The burden of proof shall be upon the applicant to demonstrate such qualifications or satisfaction of such requirements.

(b) Obtaining a license by fraud or cheating, or attempting to subvert the licensing examination process. Conduct which subverts or attempts to subvert the licensing examination process includes, but is not limited to: (1) conduct which violates the security of the examination materials, such as removing examination materials from the examination room or having unauthorized possession of any portion of a future, current, or previously administered licensing examination; (2) conduct which violates the standard of test administration, such as communicating with another examinee during administration of the examination, copying another examinee's answers, permitting another examinee to copy one's answers, or possessing unauthorized materials; or (3) impersonating an examinee or permitting an impersonator to take the examination on one's own behalf.

(c) Conviction, during the previous five years, of a felony reasonably related to the practice of medicine or osteopathy. Conviction as used in this subdivision shall include a conviction of an offense which if committed in this state would be deemed a felony without regard to its designation elsewhere, or a criminal proceeding where a finding or verdict of guilt is made or returned but the adjudication of guilt is either withheld or not entered thereon.

(d) Revocation, suspension, restriction, limitation, or other disciplinary action against the person's medical license in another state or jurisdiction, failure to report to the board that charges regarding the person's license have been brought in another state or jurisdiction, or having been refused a license by any other state or jurisdiction.

(e) Advertising which is false or misleading, which violates any rule of the board, or which claims without substantiation the positive cure of any disease, or professional superiority to or greater skill than that possessed by another physician.

(f) Violating a rule promulgated by the board or an order of the board, a state, or federal law which relates to the practice of medicine, or in part regulates the practice of medicine including without limitation sections 148A.02, 609.344, and 609.345, or a state or federal narcotics or controlled substance law.

(g) Engaging in any unethical conduct; conduct likely to deceive, defraud, or harm the public, or demonstrating a willful or careless disregard for the health, welfare or safety of a patient; or medical practice which is professionally incompetent, in that it may create unnecessary danger to any patient's life, health, or safety, in any of which cases, proof of actual injury need not be established.

(h) Failure to supervise a physician's assistant or failure to supervise a physician under any agreement with the board.

(i) Aiding or abetting an unlicensed person in the practice of medicine, except that it is not a violation of this paragraph for a physician to employ, supervise, or delegate functions to a qualified person who may or may not be required to obtain a license or registration to provide health services if that person is practicing within the scope of that person's license or registration or delegated authority.

(j) Adjudication as mentally incompetent, mentally ill or mentally retarded, or as a chemically dependent person, a person dangerous to the public, or a person who has a psychopathic personality by a court of competent jurisdiction, within or without this state. Such adjudication shall automatically suspend a license for the duration thereof unless the board orders otherwise.

(k) Engaging in unprofessional conduct. Unprofessional conduct shall include any departure from or the failure to conform to the minimal standards of acceptable and prevailing medical practice in which proceeding actual injury to a patient need not be established.

(l) Inability to practice medicine with reasonable skill and safety to patients by reason of illness, drunkenness, use of drugs, narcotics, chemicals or any other type of material or as a result of any mental or physical condition, including deterioration through the aging process or loss of motor skills.

(m) Revealing a privileged communication from or relating to a patient except when otherwise required or permitted by law.

(n) Failure by a doctor of osteopathy to identify the school of healing in the professional use of the doctor's name by one of the following terms: osteopathic physician and surgeon, doctor of osteopathy, or D.O.

(o) Improper management of medical records, including failure to maintain adequate medical records, to comply with a patient's request made pursuant to section 144.335 or to furnish a medical record or report required by law.

(p) Fee splitting, including without limitation:

(1) paying, offering to pay, receiving, or agreeing to receive, a commission, rebate, or remuneration, directly or indirectly, primarily for the referral of patients or the prescription of drugs or devices;

(2) dividing fees with another physician or a professional corporation, unless the division is in proportion to the services provided and the responsibility assumed by each professional and the physician has disclosed the terms of the division;

(3) referring a patient to any health care provider as defined in section 144.335 in which the referring physician has a significant financial interest unless the physician has disclosed the physician's own financial interest; and

(4) dispensing for profit any drug or device, unless the physician has disclosed the physician's own profit interest.

The physician must make the disclosures required in this clause in advance and in writing to the patient and must include in the disclosure a statement that the patient is free to choose a different health care provider. This clause does not apply to the distribution of revenues from a partnership, group practice, nonprofit corporation, or professional corporation to its partners, shareholders, members, or employees if the revenues consist only of fees for services performed by the physician or under a physician's direct supervision, or to the division or distribution of prepaid or capitated health care premiums, or fee-for-service withhold amounts paid under contracts established under other state law.

(q) Engaging in abusive or fraudulent billing practices, including violations of the federal Medicare and Medicaid laws or state medical assistance laws.

(r) Becoming addicted or habituated to a drug or intoxicant.

(s) Prescribing a drug or device for other than medically accepted therapeutic or experimental or investigative purposes authorized by a state or federal agency or referring a patient to any health care provider as defined in section 144.335 for services or tests not medically indicated at the time of referral.

(t) Engaging in conduct with a patient which is sexual or may reasonably be interpreted by the patient as sexual, or in any verbal behavior which is seductive or sexually demeaning to a patient.

(u) Failure to make reports as required by section 147.111 or to cooperate with an investigation of the board as required by section 147.131.

(v) Knowingly providing false or misleading information that is directly related to the care of that patient unless done for an accepted therapeutic purpose such as the administration of a placebo.

Sec. 4. Minnesota Statutes 1990, section 148.261, subdivision 1, is amended to read:

Subdivision 1. [GROUNDS LISTED.] The board shall have power to deny, revoke, suspend, limit, or condition the license and regis-

tration of any person to practice professional or practical nursing pursuant to sections 148.171 to 148.285, or to otherwise discipline a licensee or applicant as described in section 148.262. The following are grounds for disciplinary action:

(1) Failure to demonstrate the qualifications or satisfy the requirements for a license contained in section 148.171 to 148.285 or rules of the board. In the case of a person applying for a license, the burden of proof is upon the applicant to demonstrate the qualifications or satisfaction of the requirements.

(2) Employing fraud or deceit in procuring or attempting to procure a permit, license, or registration certificate to practice professional or practical nursing or attempting to subvert the licensing examination process. Conduct that subverts or attempts to subvert the licensing examination process includes, but is not limited to:

(i) conduct that violates the security of the examination materials, such as removing examination materials from the examination room or having unauthorized possession of any portion of a future, current, or previously administered licensing examination;

(ii) conduct that violates the standard of test administration, such as communicating with another examinee during administration of the examination, copying another examinee's answers, permitting another examinee to copy one's answers, or possessing unauthorized materials; or

(iii) impersonating an examinee or permitting an impersonator to take the examination on one's own behalf.

(3) Conviction during the previous five years of a felony or gross misdemeanor reasonably related to the practice of professional or practical nursing. Conviction as used in this subdivision shall include a conviction of an offense that if committed in this state would be considered a felony or gross misdemeanor without regard to its designation elsewhere, or a criminal proceeding where a finding or verdict of guilt is made or returned but the adjudication of guilt is either withheld or not entered.

(4) Revocation, suspension, limitation, conditioning, or other disciplinary action against the person's professional or practical nursing license in another state, territory, or country; failure to report to the board that charges regarding the person's nursing license are pending in another state, territory, or country; or having been refused a license by another state, territory, or country.

(5) Failure to or inability to perform professional or practical nursing as defined in section 148.171, paragraph (3) or (5), with

reasonable skill and safety, including failure of a registered nurse to supervise or a licensed practical nurse to monitor adequately the performance of acts by any person working at the nurse's direction.

(6) Engaging in unprofessional conduct including, but not limited to, a departure from or failure to conform to board rules of professional or practical nursing practice that interpret the statutory definition of professional or practical nursing as well as provide criteria for violations of the statutes, or, if no rule exists, to the minimal standards of acceptable and prevailing professional or practical nursing practice, or any nursing practice that may create unnecessary danger to a patient's life, health, or safety. Actual injury to a patient need not be established under this clause.

(7) Delegating or accepting the delegation of a nursing function or a prescribed health care function when the delegation or acceptance could reasonably be expected to result in unsafe or ineffective patient care.

(8) Actual or potential inability to practice nursing with reasonable skill and safety to patients by reason of illness, use of alcohol, drugs, chemicals, or any other material, or as a result of any mental or physical condition.

(9) Adjudication as mentally incompetent, mentally ill, a chemically dependent person, or a person dangerous to the public by a court of competent jurisdiction, within or without this state.

(10) Engaging in any unethical conduct including, but not limited to, conduct likely to deceive, defraud, or harm the public, or demonstrating a willful or careless disregard for the health, welfare, or safety of a patient. Actual injury need not be established under this clause.

(11) Engaging in conduct with a patient that is sexual or may reasonably be interpreted by the patient as sexual, or in any verbal behavior that is seductive or sexually demeaning to a patient, or engaging in sexual exploitation of a patient or former patient.

(12) Obtaining money, property, or services from a patient, other than reasonable fees for services provided to the patient, through the use of undue influence, harassment, duress, deception, or fraud.

(13) Revealing a privileged communication from or relating to a patient except when otherwise required or permitted by law.

(14) Engaging in abusive or fraudulent billing practices, including violations of federal Medicare and Medicaid laws or state medical assistance laws.

(15) Improper management of patient records, including failure to maintain adequate patient records, to comply with a patient's request made pursuant to section 144.335, or to furnish a patient record or report required by law.

(16) Knowingly aiding, assisting, advising, or allowing an unlicensed person to engage in the unlawful practice of professional or practical nursing.

(17) Violating a rule adopted by the board, an order of the board, or a state or federal law relating to the practice of professional or practical nursing, or a state or federal narcotics or controlled substance law.

(18) Knowingly providing false or misleading information that is directly related to the care of that patient unless done for an accepted therapeutic purpose such as the administration of a placebo.

Sec. 5. Minnesota Statutes 1990, section 150A.08, subdivision 1, is amended to read:

Subdivision 1. [GROUNDS.] The board may refuse or by order suspend or revoke, limit or modify by imposing conditions it deems necessary, any license to practice dentistry or dental hygiene or the registration of any dental assistant upon any of the following grounds:

(1) Fraud or deception in connection with the practice of dentistry or the securing of a license or annual registration certificate;

(2) Conviction, including a finding or verdict of guilt, an admission of guilt, or a no contest plea, in any court of a felony or gross misdemeanor reasonably related to the practice of dentistry as evidenced by a certified copy of the conviction;

(3) Conviction, including a finding or verdict of guilt, an admission of guilt, or a no contest plea, in any court of an offense involving moral turpitude as evidenced by a certified copy of the conviction;

(4) Habitual overindulgence in the use of intoxicating liquors;

(5) Improper or unauthorized prescription, dispensing, administering, or personal or other use of any legend drug as defined in chapter 151, of any chemical as defined in chapter 151, or of any controlled substance as defined in chapter 152;

(6) Conduct unbecoming a person licensed to practice dentistry or dental hygiene or registered as a dental assistant, or conduct

contrary to the best interest of the public, as such conduct is defined by the rules of the board;

(7) Gross immorality;

(8) Any physical, mental, emotional, or other disability which adversely affects a dentist's, dental hygienist's, or registered dental assistant's ability to perform the service for which the person is licensed or registered;

(9) Revocation or suspension of a license, registration, or equivalent authority to practice, or other disciplinary action or denial of a license or registration application taken by a licensing, registering, or credentialing authority of another state, territory, or country as evidenced by a certified copy of the licensing authority's order, if the disciplinary action or application denial was based on facts that would provide a basis for disciplinary action under this chapter and if the action was taken only after affording the credentialed person or applicant notice and opportunity to refute the allegations or pursuant to stipulation or other agreement;

(10) Failure to maintain adequate safety and sanitary conditions for a dental office in accordance with the standards established by the rules of the board;

(11) Employing, assisting, or enabling in any manner an unlicensed person to practice dentistry;

(12) Failure or refusal to attend, testify, and produce records as directed by the board under subdivision 7; ~~or~~

(13) Violation of, or failure to comply with, any other provisions of sections 150A.01 to 150A.12, the rules of the board of dentistry, or any disciplinary order issued by the board or for any other just cause related to the practice of dentistry. Suspension, revocation, modification or limitation of any license shall not be based upon any judgment as to therapeutic or monetary value of any individual drug prescribed or any individual treatment rendered, but only upon a repeated pattern of conduct; or

(14) Knowingly providing false or misleading information that is directly related to the care of that patient unless done for an accepted therapeutic purpose such as the administration of a placebo.

#### Sec. 6. [150A.081] [ACCESS TO MEDICAL DATA.]

When the board has probable cause to believe that a licensee's or registrant's condition meets a ground listed in section 150A.08, subdivision 1, clause (4) or (8), it may, notwithstanding sections



13.42, 144.651, or any other law limiting access to medical data, obtain medical or health records relating to the licensee or registrant without the person's consent. The medical data may be requested from a provider, as defined in section 144.335, subdivision 1, paragraph (b), an insurance company, or a government agency. A provider, insurance company, or government agency shall comply with a written request of the board under this subdivision and is not liable in any action for damages for releasing the data requested by the board if the data are released under the written request, unless the information is false and the entity providing the information knew, or had reason to believe, the information was false. Information obtained under this subdivision is classified as private data on individuals under chapter 13. Under this subdivision, the commissioner of health is not required to release health data collected and maintained under section 13.38.

Sec. 7. Minnesota Statutes 1990, section 153.19, subdivision 1, is amended to read:

Subdivision 1. [GROUNDS LISTED.] The board may refuse to grant a license or may impose disciplinary action as described in this section against any doctor of podiatric medicine. The following conduct is prohibited and is grounds for disciplinary action:

(1) failure to demonstrate the qualifications or satisfy the requirements for a license contained in this chapter or rules of the board; the burden of proof shall be upon the applicant to demonstrate the qualifications or satisfaction of the requirements;

(2) obtaining a license by fraud or cheating or attempting to subvert the licensing examination process;

(3) conviction, during the previous five years, of a felony reasonably related to the practice of podiatric medicine;

(4) revocation, suspension, restriction, limitation, or other disciplinary action against the person's podiatric medical license in another state or jurisdiction, failure to report to the board that charges regarding the person's license have been brought in another state or jurisdiction, or having been refused a license by any other state or jurisdiction;

(5) advertising that is false or misleading;

(6) violating a rule adopted by the board or an order of the board, a state, or federal law that relates to the practice of podiatric medicine, or in part regulates the practice of podiatric medicine, or a state or federal narcotics or controlled substance law;

(7) engaging in any unethical conduct; conduct likely to deceive,

defraud, or harm the public, or demonstrating a willful or careless disregard for the health, welfare, or safety of a patient; or podiatric medical practice that is professionally incompetent, in that it may create unnecessary danger to any patient's life, health, or safety, in any of which cases, proof of actual injury need not be established;

(8) failure to supervise a preceptor or resident;

(9) aiding or abetting an unlicensed person in the practice of podiatric medicine, except that it is not a violation of this clause for a podiatrist to employ, supervise, or delegate functions to a qualified person who may or may not be required to obtain a license or registration to provide health services if that person is practicing within the scope of that person's license or registration or delegated authority;

(10) adjudication as mentally incompetent, or mentally ill, or as a chemically dependent person, a person dangerous to the public, or a person who has a psychopathic personality by a court of competent jurisdiction, within or without this state;

(11) engaging in unprofessional conduct that includes any departure from or the failure to conform to the minimal standards of acceptable and prevailing podiatric medical practice, but actual injury to a patient need not be established;

(12) inability to practice podiatric medicine with reasonable skill and safety to patients by reason of illness or chemical dependency or as a result of any mental or physical condition, including deterioration through the aging process or loss of motor skills;

(13) revealing a privileged communication from or relating to a patient except when otherwise required or permitted by law;

(14) improper management of medical records, including failure to maintain adequate medical records, to comply with a patient's request made under section 144.335 or to furnish a medical record or report required by law;

(15) accepting, paying, or promising to pay a part of a fee in exchange for patient referrals;

(16) engaging in abusive or fraudulent billing practices, including violations of the federal Medicare and Medicaid laws or state medical assistance laws;

(17) becoming addicted or habituated to a drug or intoxicant;

(18) prescribing a drug for other than medically accepted thera-

peutic or experimental or investigative purposes authorized by a state or federal agency;

(19) engaging in sexual conduct with a patient or conduct that may reasonably be interpreted by the patient as sexual, or in verbal behavior which is seductive or sexually demeaning to a patient;

(20) failure to make reports as required by section 153.24 or to cooperate with an investigation of the board as required by section 153.20;

(21) knowingly providing false or misleading information that is directly related to the care of that patient unless done for an accepted therapeutic purpose such as the administration of a placebo.

Sec. 8. Minnesota Statutes 1990, section 214.12, is amended to read:

#### 214.12 [CONTINUING EDUCATION.]

Subdivision 1. [REQUIREMENTS.] The health-related and non-health-related licensing boards may promulgate by rule requirements for renewal of licenses designed to promote the continuing professional competence of licensees. These requirements of continuing professional education or training shall be designed solely to improve professional skills and shall not exceed an average attendance requirement of 50 clock hours per year. All requirements promulgated by the boards shall be effective commencing January 1, 1977, or at a later date as the board may determine. The 50 clock hour limitation shall not apply to the board of teaching.

Subd. 2. [INFECTION CONTROL.] The boards listed in section 214.17, subdivision 1, shall require by rule that licensees obtain instruction or continuing education in the subject of infection control and blood borne diseases.

Sec. 9. [214.16] [HIV AND HBV PREVENTION PROGRAM; PURPOSE AND SCOPE.]

Sections 214.16 to 214.24 are intended to promote the health and safety of patients and regulated persons by reducing the risk of infection in the provision of health care.

Sec. 10. [214.17] [DEFINITIONS.]

Subdivision 1. [BOARD.] "Board" means the boards of dentistry, medical practice, nursing, and podiatric medicine. For purposes of sections 214.18, subdivisions 4 and 5; 214.19, paragraph (a); and 214.23, board also includes the board of chiropractic examiners.

Subd. 2. [COMMISSIONER.] "Commissioner" means the commissioner of health.

Subd. 3. [HBV.] "HBV" means the hepatitis B virus with the e antigen present in the most recent blood test.

Subd. 4. [HIV.] "HIV" means the human immunodeficiency virus.

Subd. 5. [REGULATED PERSON.] "Regulated person" means a licensed dental hygienist, dentist, physician, nurse, podiatrist, a registered dental assistant, a physician's assistant, and for purposes of sections 214.18, subdivisions 4 and 5, and 214.19, paragraph (a), a chiropractor.

**Sec. 11. [214.18] [REPORTING OBLIGATIONS.]**

Subdivision 1. [PERMISSION TO REPORT.] A person with actual knowledge that a regulated person has been diagnosed as infected with HIV or HBV may file a report with the commissioner.

Subd. 2. [SELF-REPORTING.] A regulated person who is diagnosed as infected with HIV or HBV shall report that information to the commissioner promptly and as soon as medically necessary for disease control purposes, but no more than 30 days after learning of the diagnosis or 30 days after becoming licensed or registered by the state.

Subd. 3. [MANDATORY REPORTING.] A person or institution required to report HIV or HBV status to the commissioner under Minnesota Rules, parts 4605.7030, subparts 1 to 4 and 6, and 4605.7040, shall, at the same time, notify the commissioner if the person or institution knows that the reported person is a regulated person.

Subd. 4. [INFECTION CONTROL REPORTING.] A regulated person shall, within ten days, report to the appropriate board personal knowledge of a serious failure or a pattern of failure by another regulated person to comply with accepted and prevailing infection control procedures related to the prevention of HIV and HBV transmission. In lieu of reporting to the board, the regulated person may make the report to a designated official of the hospital, nursing home, clinic, or other institution or agency where the failure to comply with accepted and prevailing infection control procedures occurred. The designated official shall report to the appropriate board within 30 days of receiving a report under this subdivision. The report shall include specific information about the response by the institution or agency to the report. A regulated person shall not be discharged or discriminated against for filing a complaint in good faith under this subdivision.

Subd. 5. [IMMUNITY.] A person is immune from civil liability or criminal prosecution for submitting a report in good faith to the commissioner or to a board under this section.

**Sec. 12. [214.19] [GROUNDS FOR DISCIPLINARY OR RESTRICTIVE ACTION.]**

A board may refuse to grant a license or registration or may impose disciplinary or restrictive action against a regulated person who:

(a) fails to follow accepted and prevailing infection control procedures, including a failure to conform to current recommendations of the Centers for Disease Control for preventing the transmission of HIV and HBV, or fails to comply with infection control rules promulgated by the board. Injury to a patient need not be established;

(b) fails to comply with any requirement of sections 214.16 to 214.23; or

(c) fails to comply with any monitoring or reporting requirement.

**Sec. 13. [214.20] [TEMPORARY SUSPENSION.]**

The board may, without hearing, temporarily suspend the right to practice of a regulated person if the board finds that the regulated person has refused to submit to or comply with monitoring under section 214.22. The suspension shall take effect upon written notice to the regulated person specifying the statute or rule violated. The suspension shall remain in effect until the board issues a final order based on a stipulation or after a hearing. At the time the board issues the suspension notice, the board shall schedule a disciplinary hearing to be held under chapter 14. The regulated person shall be provided with at least 20 days' notice of a hearing held under this section. The hearing shall be scheduled to begin no later than 30 days after the issuance of the suspension order.

**Sec. 14. [214.21] [NOTICE; ACTION.]**

If the board has reasonable grounds to believe a regulated person infected with HIV or HBV has done or omitted doing any act that would be grounds for disciplinary action under section 214.19, the board may take action after giving notice three business days before the action, or a lesser time if deemed necessary by the board. The board may:

(a) temporarily suspend the regulated person's right to practice under section 214.20;

(b) require the regulated person to appear personally at a conference with representatives of the board and to provide information relating to the regulated person's health or professional practice; and

(c) take any other lesser action deemed necessary by the board for the protection of the public.

Sec. 15. [214.22] [MONITORING.]

Subdivision 1. [COMMISSIONER OF HEALTH.] The board shall enter into a contract with the commissioner to perform the functions in subdivisions 2 and 3. The contract shall provide that:

(a) unless requested to do otherwise by a regulated person, a board shall refer all regulated persons infected with HIV or HBV to the commissioner;

(b) the commissioner may choose to refer any regulated person who is infected with HIV or HBV as well as all information related thereto to the person's board at any time for any reason, including but not limited to: the degree of cooperation and compliance by the regulated person; the inability to secure information or the medical records of the regulated person; or when the facts may present other possible violations of the regulated persons practice act. Upon request of the regulated person who is infected with HIV or HBV the commissioner shall refer the regulated person and all information related thereto to the person's board. Once the commissioner has referred a regulated person to a board, the board may not thereafter submit it to the commissioner to establish a monitoring plan unless the commissioner of health consents in writing;

(c) a board shall not take action on grounds relating solely to the HIV or HBV status of a regulated person until after referral by the commissioner; and

(d) notwithstanding sections 13.39 and 13.41 and chapters 147, 148, 150A, 153, and 214, a board shall forward to the commissioner any information on a regulated person who is infected with HIV or HBV that the department of health requests.

Subd. 2. [MONITORING PLAN.] After receiving a report that a regulated person is infected with HIV or HBV, the board or the commissioner acting on behalf of the board shall evaluate the past and current professional practice of the regulated person to determine whether there has been a violation under section 214.19. The board or the commissioner acting on behalf of the board shall also:

(a) establish a plan to monitor the regulated person's practice. The board or the commissioner acting on behalf of the board may enter

into agreements with qualified persons to perform monitoring on its behalf. A person involved in the monitoring of a regulated person's practice shall comply with any requirements imposed by the board or the commissioner acting on behalf of the board.

(b) require regular reports, at a frequency determined by the board or the commissioner acting on behalf of the board, regarding the regulated person's health status; and

(c) require any other information it deems necessary.

The regulated person shall comply with any request for information and any monitoring requirement established under this subdivision.

Subd. 3. [EXPERT REVIEW PANEL.] The board or the commissioner acting on behalf of the board may appoint an expert review panel to assist in the performance of the responsibilities under this section. In consultations with the expert review panel, the commissioner or board shall, to the extent possible, protect the identity of the regulated person. When an expert review panel is appointed, it must contain at least one member appointed by the commissioner and one professional member appointed by the board. The panel shall provide expert assistance to the board, or to the commissioner acting on behalf of the board, in the subjects of infectious diseases, epidemiology, practice techniques used by regulated persons, and other subjects determined by the board or by the commissioner acting on behalf of the board. Members of the expert review panel are subject to those provisions of chapter 13 that restrict the commissioner or the board under this act.

Subd. 4. [IMMUNITY.] Members of the board or the commissioner acting on behalf of the board, and persons who participate on an expert review panel or who assist the board or the commissioner in monitoring the practice of a regulated person, are immune from civil liability or criminal prosecution for any actions, transactions, or publications made in good faith and in execution of, or relating to, their duties under sections 214.16 to 214.23, except that no immunity shall be available for persons who have knowingly violated any provision of chapter 13.

#### Sec. 16. [214.23] [INSPECTION OF PRACTICE.]

Subdivision 1. [AUTHORITY.] The board is authorized to conduct inspections of the clinical practice of a regulated person to determine whether the regulated person is following accepted and prevailing infection control procedures. The board shall provide at least three business days notice to the clinical practice prior to the inspection. The clinical practice of a regulated person includes any location where the regulated person practices that is not an institution licensed and subject to inspection by the commissioner of

health. During the course of inspections the privacy and confidentiality of patients and regulated persons shall be maintained. The board may require on license renewal forms that regulated persons inform the board of all locations where they practice.

Subd. 2. [ACCESS; RECORDS.] An inspector from the board shall have access, during reasonable business hours for purposes of inspection, to all areas of the practice setting where patient care is rendered or drugs or instruments are held that come into contact with a patient. An inspector is authorized to interview employees and regulated persons in the performance of an inspection, to observe infection control procedures, test equipment used to sterilize instruments, and to review and copy all relevant records, excluding patient health records. In performing these responsibilities, inspectors shall make reasonable efforts to respect and preserve patient privacy and the privacy of the regulated person. Boards are authorized to conduct joint inspections and to share information obtained under this section. The boards shall contract with the commissioner to perform the duties under this subdivision.

Subd. 3. [BOARD ACTION.] If accepted and prevailing infection control techniques are not being followed, the board may educate the regulated person or take other actions. The board and the inspector shall maintain patient confidentiality in any action resulting from the inspection.

Subd. 4. [RULEMAKING.] A board is authorized to adopt rules setting standards for infection control procedures. Boards shall engage in joint rulemaking. Boards must seek and consider the advice of the commissioner of health before adopting rules. No inspections shall be conducted under this section until after infection control rules have been adopted. Each board is authorized to provide educational information and training to regulated persons regarding infection control. All regulated persons who are employers shall make infection control rules available to employees who engage in functions related to infection control.

Sec. 17. [214.24] [DATA PRIVACY.]

Subdivision 1. [BOARD DATA.] (a) All data collected or maintained as part of the board's duties under sections 214.18 and 214.22 shall be classified as investigative data under section 13.39 except that inactive investigative data shall be classified as private under section 13.02, subdivision 12, or protected nonpublic data under section 13.02, subdivision 13, in the case of data not on individuals.

(b) Notwithstanding section 13.05, subdivision 9, data addressed in this subdivision shall not be disclosed except as provided in this subdivision or section 13.04; except that the board may disclose to the commissioner under section 214.22.



Subd. 2. [COMMISSIONER OF HEALTH DATA.] (a) All data collected or maintained as part of the commissioner of health's duties under sections 214.18 and 214.22 shall be classified as investigative data under section 13.39 except that inactive investigative data shall be classified as private under section 13.02, subdivision 12 or protected nonpublic data under section 13.02, subdivision 13 in the case of data not on individuals.

(b) Notwithstanding section 13.05, subdivision 9, data addressed in this subdivision shall not be disclosed except as provided in this subdivision or section 13.04; except that the commissioner may disclose to the boards under section 214.22.

(c) The commissioner may disclose data addressed under this subdivision as necessary: to identify, establish, implement, and enforce a monitoring plan; to investigate a regulated person; to alert persons who may be threatened by illness as evidenced by epidemiologic data; to control or prevent the spread of HIV or HBV disease; or to diminish an imminent threat to the public health.

#### Sec. 18. [APPROPRIATIONS.]

Subdivision 1. (a) \$..... is appropriated from the special revenue fund to the board of medical practice for the purposes of this act to be available until June 30, 1993.

(b) \$..... is appropriated from the special revenue fund to the board of dentistry for the purposes of this act to be available until June 30, 1993.

(c) \$..... is appropriated from the special revenue fund to the board of nursing for the purposes of this act to be available until June 30, 1993.

(d) \$..... is appropriated from the special revenue fund to the board of podiatric medicine for the purposes of this act to be available until June 30, 1993.

(e) \$..... is appropriated from the special revenue fund to the board of chiropractic examiners for the purposes of this act to be available until June 30, 1993.

Subd. 2. \$..... is appropriated from the special revenue fund to the commissioner of health for purposes of Minnesota Statutes, section 214.22, to be available until June 30, 1993. The boards of medical practice, dentistry, nursing, and podiatric medicine are authorized to increase fees to recover the cost of this appropriation.

Subd. 3. \$..... is appropriated from the general fund to the

commissioner of health for the purposes of section 2 to be available until June 30, 1993.

Sec. 19. [EFFECTIVE DATE.]

Subdivision 1. Section 11 is effective July 1, 1992.

Subd. 2. All other provisions of this act are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to public health; providing for the reporting and monitoring of certain licensed health care workers who are infected with the human immunodeficiency virus or hepatitis B virus; authorizing rulemaking for certain health-related licensing boards; providing penalties; appropriating money; amending Minnesota Statutes 1990, sections 144.054; 144.55, subdivision 3; 147.091, subdivision 1; 148.261, subdivision 1; 150A.08, subdivision 1; 153.19, subdivision 1; and 214.12; proposing coding for new law in Minnesota Statutes, chapters 150A; and 214."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 2080, A bill for an act relating to railroads; providing for reimbursement of expenses for maintaining signals and other safety devices at crossings; requiring commissioner of transportation to identify areas where insufficient rail service is detrimental to efficient transportation; removing restrictions on grants for rail rehabilitation projects; appropriating money; amending Minnesota Statutes 1990, section 222.50, subdivision 6, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 219.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [BOND SALE AUTHORIZED.]

The commissioner of finance, on request of the governor, shall sell and issue bonds of the state in the amount of \$2,000,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7. The proceeds of the bonds, except accrued interest and any premium received on the sale of the bonds, must be deposited in the special revenue fund and credited to the rail service improvement account established under Minnesota Statutes, section 222.49."

Delete the title and insert:

"A bill for an act relating to railroads; authorizing the issuance of \$2,000,000 in state bonds and crediting the proceeds to the rail service improvement account."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 2081, A bill for an act relating to health; modifying provider appeal requirements for medical assistance; amending Minnesota Statutes 1990, section 256B.50, subdivision 1b.

Reported the same back with the following amendments:

Page 1, after line 21, insert:

"The commissioner shall review an appeal by a nursing facility, if the appeal was sent by certified mail and postmarked prior to August 1, 1991, and would have been received by the commissioner within the 60-day deadline if it had not been delayed due to an error by the postal service."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 2082, A bill for an act relating to utilities; requiring more efficient customer service by telephone companies; requiring companies to honor a request for tracing calls made to a household that has received harassing calls; proposing coding for new law in Minnesota Statutes, chapter 237.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [237.069] [TRACERS; HARASSING TELEPHONE CALLS.]

The commission shall adopt rules to govern how telephone companies respond to requests for tracers made by persons who allege receiving harassing telephone calls. The rules must address when a request for a tracer may be denied or delayed.”

Amend the title as follows:

Page 1, line 2, delete everything after the semicolon

Page 1, line 3, delete everything before “requiring”

Page 1, line 4, delete everything before “for” and insert “rules”

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Vellenga from the Committee on Judiciary to which was referred:

H. F. No. 2090, A bill for an act relating to crimes; enforcing mandatory insurance requirement for vehicles; providing for penalties; providing for loss of driver's license and motor vehicle registration; amending Minnesota Statutes 1990, sections 65B.67, subdivision 4; 169.791; 169.792; 169.793; 169.794; and 171.19; Minnesota Statutes 1991 Supplement, sections 168.041, subdivision 4; 169.795; 171.29, subdivision 1; and 171.30, subdivision 1; repealing Minnesota Statutes 1990, section 169.792, subdivision 9; and Minnesota Statutes 1991 Supplement, section 168.041, subdivision 1a.

Reported the same back with the following amendments:

Page 2, line 36, restore the stricken "169.792 to" and delete the new language and insert "169.7995"

Page 3, line 19, after the second "of" insert "this" and delete "65B.671"

Page 3, line 30, after "under" insert "this" and delete "65B.671 or 65B.672" and insert "or section 169.792"

Page 3, after line 30, insert:

"(j) Section 65B.43 applies to the sections referenced in paragraph (a)."

Page 6, line 14, delete "65B.672" and insert "169.792"

Page 6, line 15, delete "65B.672" and insert "169.792"

Page 6, lines 26 and 32, restore the stricken language and delete the new language

Page 8, line 6, delete "chapter 65B" and insert "section 169.791 or 169.797"

Page 9, line 26, delete "65B.671" and insert "169.791"

Page 10, line 9, delete "65B.67" and insert "169.797"

Page 12, delete section 6

Page 13, line 10, restore the stricken language

Page 13, line 11, delete everything before the period

Page 13, after line 11, insert:

"Sec. 7. [169.7995] [RECEIPT OF DATA BY ELECTRONIC TRANSFER.]

The commissioner of public safety may, in the commissioner's discretion, agree to receive by electronic transfer any information required by this chapter to be provided to the commissioner by an insurance company.

Page 14, line 9, strike "65B.67" and delete ", or 65B.671" and insert "169.797, or 169.791"

Page 14, line 10, restore the stricken language and delete the new language

Page 14, line 14, delete "65B.672" and insert "169.792"

Page 14, line 19, strike "65B.67," and delete the new language

Page 14, line 20, restore the stricken language and before "or" insert "169.797,"

Page 15, line 22, restore the stricken language and delete the new language

Page 16, line 2, delete "169.791" and insert "65B.67" and delete "65B.671" and insert "169.797"

Page 16, line 3, delete "169.792" and insert "65B.68" and delete "65B.672" and insert "169.798"

Page 16, after line 3, insert "65B.69" in Column A and "169.799" in Column B

Page 16, delete lines 4 through 7

Renumber the sections

Amend the title as follows:

Page 1, line 7, delete "169.794;"

Page 1, line 10, after the semicolon insert "proposing coding for new law in Minnesota Statutes, chapter 169;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 2113, A bill for an act relating to traffic regulations; authorizing the operation of flashing lights and stop arms on school buses transporting persons age 18 and under to and from certain activities; requiring school bus sign on school bus providing such transportation; amending Minnesota Statutes 1991 Supplement,

sections 169.441, subdivision 3; 169.443, subdivision 3, and by adding a subdivision.

Reported the same back with the following amendments:

Page 2, delete section 3 and insert:

“Sec. 3. Minnesota Statutes 1991 Supplement, section 169.443, is amended by adding a subdivision to read:

Subd. 8. [SCHOOL BUSES USED FOR RECREATIONAL AND EDUCATIONAL ACTIVITY.] A school bus that transports over regular routes and on regular schedules persons age 18 or under to and from a regularly scheduled recreational or educational activity must comply with subdivisions 1 and 7. Notwithstanding section 169.441, subdivision 3, a school bus may provide such transportation only if (1) the “school bus” sign required by section 169.443, subdivision 3, is plainly visible; (2) the school bus has a valid certificate of inspection under section 169.451; (3) the driver of the school bus possesses a driver’s license with a valid school bus endorsement under section 171.10; and (4) the entity that organizes the recreational or educational activity, or the contractor who provides the school buses to the entity, consults with the superintendent of the school district in which the activity is located or the superintendent’s designee on the safety of the regular routes used.”

Page 2, after line 27, insert:

“Sec. 4. Laws 1988, chapter 573, section 1, is amended to read:

**Section 1. [DULUTH TRANSIT BUSES ARE NOT SCHOOL BUSES.]**

Notwithstanding Minnesota Statutes, section 169.01, subdivision 6, and 171.01, subdivision 21, the Duluth transit authority may transport secondary students to or from a school, or to or from school-related activities within the city of Duluth, on fixed routes and schedules or under an agreement with independent school district No. 709, in a publicly owned transit bus. For the purposes of this section, secondary students include students in grade six who attend a school serving grades six through eight.

**Sec. 5. [EFFECTIVE DATE.]**

Section 4 is effective the day after the school board in section 4 complies with Minnesota Statutes, section 645.021, subdivision 3.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 2117, A bill for an act relating to health; authorizing grants for a home health visiting program designed to prevent abuse and neglect of children; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 145A.

Reported the same back with the following amendments:

Page 3, after line 31, insert:

“Sec. 2. Minnesota Statutes 1991 Supplement, section 245.484, is amended to read:

245.484 [RULES.]

The commissioner shall adopt emergency rules to govern implementation of case management services for eligible children in section 245.4881 and professional home-based family treatment services for medical assistance eligible children, in section 245.4884, subdivision 3, by January 1, 1992, and must adopt permanent rules by January 1, 1993.

The commissioner shall adopt permanent rules as necessary to carry out sections 245.461 to 245.486 and 245.487 to 245.4888. The commissioner shall reassign agency staff as necessary to meet this deadline.

By January 1, 1993, the commissioner shall adopt permanent rules specifying program requirements for family community support services.

Sec. 3. Minnesota Statutes 1990, section 245.4871, is amended by adding a subdivision to read:

Subd. 9a. [CRISIS ASSISTANCE.] “Crisis assistance” means assistance to the child, family, and the child’s school in recognizing and resolving a mental health crisis. It shall include, at a minimum, working with the child, family, and school to develop a crisis assistance plan. Crisis assistance does not include services designed to secure the safety of a child who is at risk of abuse or neglect or necessary emergency services.



Sec. 4. Minnesota Statutes 1991 Supplement, section 245.4884, subdivision 1, is amended to read:

Subdivision 1. [AVAILABILITY OF FAMILY COMMUNITY SUPPORT SERVICES.] By July 1, 1991, county boards must provide or contract for sufficient family community support services within the county to meet the needs of each child with severe emotional disturbance who resides in the county and the child's family. Children or their parents may be required to pay a fee in accordance with section 245.481.

Family community support services must be designed to improve the ability of children with severe emotional disturbance to:

- (1) manage basic activities of daily living;
- (2) function appropriately in home, school, and community settings;
- (3) participate in leisure time or community youth activities;
- (4) set goals and plans;
- (5) reside with the family in the community;
- (6) participate in after-school and summer activities;
- (7) make a smooth transition among mental health and education services provided to children; and
- (8) make a smooth transition into the adult mental health system as appropriate.

In addition, family community support services must be designed to improve overall family functioning if clinically appropriate to the child's needs, and to reduce the need for and use of placements more intensive, costly, or restrictive both in the number of admissions and lengths of stay than indicated by the child's diagnostic assessment.

The commissioner of human services shall work with mental health professionals to develop standards for clinical supervision of family community support services. These standards shall be incorporated in rule and in guidelines for grants for family community support services.

Sec. 5. Minnesota Statutes 1991 Supplement, section 256B.0625, subdivision 19a, is amended to read:

Subd. 19a. [PERSONAL CARE SERVICES.] Medical assistance covers personal care services in a recipient's home. Recipients who

can direct their own care, or persons who cannot direct their own care when accompanied authorized by the responsible party, may use approved hours outside the home when normal life activities take them outside the home and when, without the provision of personal care, their health and safety would be jeopardized. Medical assistance does not cover personal care services at a hospital, nursing facility, intermediate care facility or a health care facility licensed by the commissioner of health, except as authorized in section 256B.64 for ventilator-dependent recipients in hospitals. Total hours of service and payment allowed for services outside the home cannot exceed that which is otherwise allowed for personal care services in an in-home setting according to section 256B.0627. All personal care services must be provided according to section 256B.0627. Personal care services may not be reimbursed if the personal care assistant is the spouse of the recipient or the parent of a recipient under age 18, the responsible party, the foster care provider of a recipient who cannot direct their own care or the recipient's legal guardian. Parents of adult recipients, adult children of the recipient or adult siblings of the recipient may be reimbursed for personal care services if they are granted a waiver under section 256B.0627. An exception for foster care providers may be made according to section 256B.0627, subdivision 5, paragraph (j).

Sec. 6. Minnesota Statutes 1991 Supplement, section 256B.0627, subdivision 5, is amended to read:

Subd. 5. [LIMITATION ON PAYMENTS.] Medical assistance payments for home care services shall be limited according to this subdivision.

(a) [EXEMPTION FROM PAYMENT LIMITATIONS.] The level, or the number of hours or visits of a specific service, of home care services to a recipient that began before and is continued without increase on or after December 1987, shall be exempt from the payment limitations of this section, as long as the services are medically necessary.

(b) [LIMITS ON SERVICES WITHOUT PRIOR AUTHORIZATION.] A recipient may receive the following amounts of home care services during a calendar year:

(1) a total of 40 home health aide visits, skilled nurse visits, health promotions, or health assessments under section 256B.0625, subdivision 6a; and

(2) a total of ten hours of nursing supervision under section 256B.0625, subdivision 7 or 19a.

(c) [PRIOR AUTHORIZATION; EXCEPTIONS.] All home care services above the limits in paragraph (b) must receive the commissioner's prior authorization, except when:

(1) the home care services were required to treat an emergency medical condition that if not immediately treated could cause a recipient serious physical or mental disability, continuation of severe pain, or death. The provider must request retroactive authorization no later than five working days after giving the initial service. The provider must be able to substantiate the emergency by documentation such as reports, notes, and admission or discharge histories;

(2) the home care services were provided on or after the date on which the recipient's eligibility began, but before the date on which the recipient was notified that the case was opened. Authorization will be considered if the request is submitted by the provider within 20 working days of the date the recipient was notified that the case was opened; or

(3) a third party payor for home care services has denied or adjusted a payment. Authorization requests must be submitted by the provider within 20 working days of the notice of denial or adjustment. A copy of the notice must be included with the request.

(d) [RETROACTIVE AUTHORIZATION.] A request for retroactive authorization under paragraph (c) will be evaluated according to the same criteria applied to prior authorization requests. Implementation of this provision shall begin no later than October 1, 1991, except that recipients who are currently receiving medically necessary services above the limits established under this subdivision may have a reasonable amount of time to arrange for waived services under section 256B.49 or to establish an alternative living arrangement. All current recipients shall be phased down to the limits established under paragraph (b) on or before April 1, 1992.

(e) [ASSESSMENT AND CARE PLAN.] The home care provider shall conduct an assessment and complete a care plan using forms specified by the commissioner. For the recipient to receive, or continue to receive, home care services, the provider must submit evidence necessary for the commissioner to determine the medical necessity of the home care services. The provider shall submit to the commissioner the assessment, the care plan, and other information necessary to determine medical necessity such as diagnostic or testing information, social or medical histories, and hospital or facility discharge summaries.

(f) [PRIOR AUTHORIZATION.] The commissioner, or the commissioner's designee, shall review the assessment, the care plan, and any additional information that is submitted. The commissioner shall, within 30 days after receiving a request for prior authorization, authorize home care services as follows:

(1) [HOME HEALTH SERVICES.] All home health services provided by a nurse or a home health aide that exceed the limits

established in paragraph (b) must be prior authorized by the commissioner or the commissioner's designee. Prior authorization must be based on medical necessity and cost-effectiveness when compared with other care options.

(2) [PERSONAL CARE SERVICES.] (i) All personal care services must be prior authorized by the commissioner or the commissioner's designee except for the limits on supervision established in paragraph (b). The amount of personal care services authorized must be based on the recipient's case mix classification according to section 256B.0911, except that a child may not be found to be dependent in an activity of daily living if because of the child's age an adult would either perform the activity for the child or assist the child with the activity and the amount of assistance needed is similar to the assistance appropriate for a typical child of the same age. Based on medical necessity, the commissioner may authorize:

(A) up to two times the average number of direct care hours provided in nursing facilities for the recipient's case mix level;

(B) up to three times the average number of direct care hours provided in nursing facilities for recipients who have complex medical needs;

(C) up to 60 percent of the average reimbursement rate, as of July 1, 1991, for care provided in a regional treatment center for recipients who have complex behaviors;

(D) up to the amount the commissioner would pay, as of July 1, 1991, for care provided in a regional treatment center for recipients referred to the commissioner by a regional treatment center preadmission evaluation team. For purposes of this clause, home care services means all services provided in the home or community that would be included in the payment to a regional treatment center; or

(E) up to the amount medical assistance would reimburse for facility care for recipients referred to the commissioner by a preadmission screening team established under section 256B.091 or 256B.092.

(ii) The number of direct care hours shall be determined according to annual cost reports which are submitted to the department by nursing facilities each year. The average number of direct care hours, as established by May 1, shall be incorporated into the home care limits on July 1 each year.

(iii) The case mix level shall be determined by the commissioner or the commissioner's designee based on information submitted to the commissioner by the personal care provider on forms specified by the commissioner. The forms shall be a combination of current assess-

ment tools developed under sections 256B.0911 and 256B.501 with an addition for seizure activity that will assess the frequency and severity of seizure activity and with adjustments, additions, and clarifications that are necessary to reflect the needs and conditions of children and nonelderly adults who need home care. The commissioner shall establish these forms and protocols under this section and shall use the advisory group established in section 256B.04, subdivision 16, for consultation in establishing the forms and protocols by October 1, 1991.

(iv) A recipient shall qualify as having complex medical needs if they require:

(A) daily tube feedings;

(B) daily parenteral therapy;

(C) wound or decubiti care;

(D) postural drainage, percussion, nebulizer treatments, suctioning, tracheotomy care, oxygen, mechanical ventilation;

(E) catheterization;

(F) ostomy care; or

(G) other comparable medical conditions or treatments the commissioner determines would otherwise require institutional care.

(v) A recipient shall qualify as having complex behavior if the recipient exhibits on a daily basis the following:

(A) self-injurious behavior;

(B) unusual or repetitive habits;

(C) withdrawal behavior;

(D) hurtful behavior to others;

(E) socially or offensive behavior;

(F) destruction of property; or

(G) a need for constant one-to-one supervision for self-preservation.

(vi) The complex behaviors in clauses (A) to (G) have the meanings developed under section 256B.501.

(3) [PRIVATE DUTY NURSING SERVICES.] All private duty nursing services shall be prior authorized by the commissioner or the commissioner's designee. Prior authorization for private duty nursing services shall be based on medical necessity and cost-effectiveness when compared with alternative care options. The commissioner may authorize medically necessary private duty nursing services when:

(i) the recipient requires more individual and continuous care than can be provided during a nurse visit; or

(ii) the cares are outside of the scope of services that can be provided by a home health aide or personal care assistant.

The commissioner may authorize up to 16 hours per day of private duty nursing services or up to 24 hours per day of private duty nursing services until such time as the commissioner is able to make a determination of eligibility for recipients who are applying for home care services under the community alternative care program developed under section 256B.49, or until it is determined that a health benefit plan is required to pay for medically necessary nursing services. Recipients who are eligible for the community alternative care program may not receive more hours of nursing under this section than would otherwise be authorized under section 256B.49.

(4) [VENTILATOR-DEPENDENT RECIPIENTS.] If the recipient is ventilator-dependent, the monthly medical assistance authorization for home care services shall not exceed what the commissioner would pay for care at the highest cost hospital designated as a long-term hospital under the Medicare program. For purposes of this clause, home care services means all services provided in the home that would be included in the payment for care at the long-term hospital. "Ventilator-dependent" means an individual who receives mechanical ventilation for life support at least six hours per day and is expected to be or has been dependent for at least 30 consecutive days.

(g) [PRIOR AUTHORIZATION; TIME LIMITS.] The commissioner or the commissioner's designee shall determine the time period for which a prior authorization shall remain valid. If the recipient continues to require home care services beyond the duration of the prior authorization, the home care provider must request a new prior authorization through the process described above. Under no circumstances shall a prior authorization be valid for more than 12 months. A recipient who appeals a reduction in previously authorized home care services may request that the previously authorized services, other than temporary services under paragraph (i), be continued pending an appeal under section 256.045, subdivision 10.

(h) [APPROVAL OF HOME CARE SERVICES.] The commissioner or the commissioner's designee shall determine the medical necessity of home care services, the level of caregiver according to subdivision 2, and the institutional comparison according to this subdivision, and the amount, scope, and duration of home care services reimbursable by medical assistance, based on the assessment, the care plan, the recipient's age, the recipient's medical condition, and diagnosis or disability. The commissioner may publish additional criteria for determining medical necessity according to section 256B.04.

(i) [PRIOR AUTHORIZATION REQUESTS; TEMPORARY SERVICES.] The department has 30 days from receipt of the request to complete the prior authorization, during which time it may approve a temporary level of home care service. Authorization under this authority for a temporary level of home care services is limited to the time specified by the commissioner.

(j) [PRIOR AUTHORIZATION REQUIRED IN FOSTER CARE SETTING.] Home care services provided in an adult or child foster care setting must receive prior authorization by the department according to the limits established in paragraph (b).

The commissioner may not authorize:

(1) home care services that are the responsibility of the foster care provider under the terms of the foster care placement agreement and administrative rules;

(2) personal care services when the foster care license holder is also the personal care provider or personal care assistant unless the recipient can direct the recipient's own care, or the recipient is referred to the commissioner by a regional treatment center preadmission evaluation team;

(3) personal care services when the responsible party is an employee of, or under contract with, or has any direct or indirect financial relationship with the personal care provider or personal care assistant, unless the recipient is referred to the commissioner by a regional treatment center preadmission evaluation team;

(4) home care services when the number of foster care residents is greater than four; or

(5) home care services when combined with foster care payments, less the base rate, that exceed the total amount that public funds would pay for the recipient's care in a medical institution.

Sec. 7. Minnesota Statutes 1991 Supplement, section 256B.0627, subdivision 6, is amended to read:

Subd. 6. [RECOVERY OF EXCESSIVE PAYMENTS.] The commissioner shall seek monetary recovery from providers of payments made for services which exceed the limits established in this section. This subdivision does not apply to services provided to a recipient at the previously authorized level pending an appeal under section 256.045, subdivision 10."

Page 3, line 32, delete "2" and insert "8"

Page 3, after line 35, insert:

"Sec. 9. [EFFECTIVE DATE.]

Sections 5 to 7 are effective the day following final enactment."

Amend the title as follows:

Page 1, line 4, after the first semicolon insert "requiring family community support services rule adoption; providing mental health crisis assistance to certain persons; modifying home care services programs appeal provisions;" and before "proposing" insert "amending Minnesota Statutes 1990, section 245.4871, by adding a subdivision; Minnesota Statutes 1991 Supplement, sections 245.484; 245.4884, subdivision 1; 256B.0625, subdivision 19a; and 256B.0627, subdivisions 5 and 6;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 2128, A bill for an act relating to human services; authorizing an exception to the moratorium on new negotiated rate facilities for a specialized housing program for chronic inebriates; amending Minnesota Statutes 1991 Supplement, section 256I.04, subdivision 3.

Reported the same back with the following amendments:

Page 2, after line 11, insert:

"Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective July 1, 1993."



With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 2132, A bill for an act relating to consumer protection; requiring certificates of title on rebuilt vehicles to contain the term "rebuilt" on them; removing a limitation on this requirement; amending Minnesota Statutes 1990, section 325F.6642, subdivision 3.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1990, section 325F.6641, is amended to read:

**325F.6641 [DISCLOSURE OF MOTOR VEHICLE DAMAGE.]**

~~Subdivision 1. [DAMAGE.]~~ (a) If a motor vehicle has sustained damage by collision or other occurrence which exceeds 70 percent of its actual cash value so that the vehicle becomes a class C total loss vehicle, the seller must disclose that fact to the buyer, if the seller has actual knowledge of the damage.

(b) The disclosure required under this subdivision must be made in writing on the application for title and registration or other transfer document, in a manner prescribed by the registrar of motor vehicles. The registrar shall revise the certificate of title form, including the assignment by seller (transferor) and reassignment by licensed dealer sections of the form, the separate application for title forms, and other transfer documents to accommodate this disclosure. If the seller is a motor vehicle dealer licensed pursuant to section 168.27, the disclosure required by this section must be made orally by the dealer to the prospective buyer in the course of the sales presentation.

~~Subd. 2. [FORM OF DISCLOSURE.]~~ The disclosure required in this section must be made in substantially the following form: "To the best of my knowledge, this vehicle has ..... has not ..... sustained damage in excess of 70 percent actual cash value."

Sec. 2. Minnesota Statutes 1990, section 325F.6642, subdivision 3, is amended to read:

Subd. 3. [OUT-OF-STATE VEHICLES.] (a) Upon transfer and application for title of all repaired vehicles with out-of-state titles that bear the term "damaged," "salvage," "rebuilt," "reconditioned," or any similar term, the registrar of motor vehicles shall record the term "rebuilt" on the first Minnesota certificate of title and all subsequent Minnesota certificates of title used for that vehicle.

(b) The registrar shall mark "rebuilt" on the first Minnesota certificate of title and all subsequent certificates of title issued for any vehicle which came into the state unrepaired and for which a salvage certificate of title was issued unless the person applying for the Minnesota title offers proof satisfactory to the registrar that the vehicle did not sustain damage equivalent to the 70 percent standard set forth in this section so that the vehicle became a class C vehicle. ~~The proof shall include photographs of the vehicle and either an insurance adjuster's written report or a written repair estimate which details the parts and labor required to repair the vehicle. The photographs and other documents submitted as proof under this subdivision must be filed and retained by the registrar so as to permit verification of the proof offered.~~

(c) For vehicles with out-of-state titles which bear the term "flood damaged," the registrar of motor vehicles shall record the term "flood damaged" on the first Minnesota certificate of title and all subsequent Minnesota certificates of title issued for that vehicle.

Sec. 3. Minnesota Statutes 1990, section 325F.6642, subdivision 6, is amended to read:

Subd. 6. [CLASS C TOTAL LOSS VEHICLE; DEFINITION.] For the purposes of this section, a class C total loss vehicle means a vehicle, damaged by collision or other occurrence, for which a salvage certificate of title has been issued ~~and vehicles with damage of at least 70 percent of the vehicle's actual cash value immediately prior to sustaining the damage based on a written retail repair estimate or invoice, as determined by an insurer or dealer pursuant to section 168A.151 or by comparing an insurer's written retail repair estimate of damage or actual loss payout to the average trade-in value of the vehicle according to the National Automobile Dealers Association's Official Used Car Guide or other similar publication approved by the registrar.~~

Amend the title as follows:

Page 1, line 2, delete "requiring"

Page 1, delete lines 3 to 6 and insert "regulating disclosures of motor vehicle damage; regulating title branding; amending Minnesota Statutes 1990, sections 325F.6641; and 325F.6642, subdivisions 3 and 6."

With the recommendation that when so amended the bill pass.

The report was adopted.

Murphy from the Committee on Energy to which was referred:

H. F. No. 2134, A bill for an act relating to energy; appropriating money to energy and conservation account for programs to improve energy efficiency of residential oil-fired heating plants in low-income households.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1990, section 115C.08, subdivision 3, is amended to read:

Subd. 3. [PETROLEUM TANK RELEASE CLEANUP FEE.] A petroleum tank release cleanup fee is imposed on the use of tanks that contain petroleum products ~~subject to the inspection fee charged in section 239.78. The fee must be collected in the manner provided in sections 239.78 and 296.14 defined in section 296.01.~~ On products other than gasoline, the fee must be paid in the manner provided in section 296.14 by the first licensed distributor receiving the product in Minnesota, as defined in section 296.01. When the product is gasoline, the distributor responsible for payment of the gasoline tax is also responsible for payment of the petroleum tank cleanup fee. The fee must be imposed as required under subdivision 3, at a rate of \$10 per 1,000 gallons of petroleum products ~~as defined in section 296.01, subdivision 2,~~ rounded to the nearest 1,000 gallons. A distributor who fails to pay the fee imposed under this section is subject to the penalties provided in section 296.15.

Sec. 2. [116.492] [BASEMENT STORAGE TANKS; REMOVAL.]

A person who removes a basement heating oil storage tank shall ensure that fill and vent pipes through the basement wall to the outside are also removed or permanently sealed.

Sec. 3. Minnesota Statutes 1991 Supplement, section 239.78, is amended to read:

239.78 [INSPECTION FEES.]

A person who owns petroleum products held in storage at a pipeline terminal, river terminal, or refinery shall pay an inspection fee of ~~75~~ 85 cents for every 1,000 gallons sold or withdrawn from the

terminal or refinery storage. The revenue from the fee must cover the amounts appropriated for petroleum product quality inspection expenses, for the inspection and testing of petroleum product measuring devices as required by this chapter, and for petroleum supply monitoring under chapter 216C.

The commissioner of revenue shall credit a person for inspection fees previously paid in error or for any material exported or sold for export from the state upon filing of a report in a manner approved by the department. The commissioner of revenue may collect the inspection fees along with any taxes due under chapter 296.

Sec. 4. [239.785] [PROPANE SALES.]

The operator of a terminal that sells propane for resale to retail customers in this state shall pay a fee equal to one mill for each gallon of propane sold by the terminal. The fee must be remitted monthly to the commissioner of revenue for deposit in the general fund.

Sec. 5. [APPROPRIATION.]

Of the revenue received from the increase in the petroleum product inspection fee under Laws 1991, chapter 235, article 1, section 6, \$750,000 is appropriated from the general fund to the energy and conservation account established in Minnesota Statutes, section 216B.241, subdivision 2a, to be available until June 30, 1993, for programs administered by the commissioner of public service or the commissioner of jobs and training to improve the energy efficiency of residential oil-fired heating plants in low-income households, and, when necessary, provide weatherization services to the homes.

Sec. 6. [APPROPRIATION.]

Of the revenue received under section 4, \$350,000 is appropriated from the general fund to the energy and conservation account established by Minnesota Statutes, section 216B.241, subdivision 2a, to be available until June 30, 1993, for conservation improvement and low-income energy assistance programs serving residential propane customers who use propane as their heating fuel."

Delete the title and insert:

"A bill for an act relating to energy; prescribing the method of payment of petroleum tank release cleanup fees; requiring persons who remove basement heating oil storage tanks to remove fill and vent pipes to the outside; changing the inspection fee for petroleum products; imposing a fee on sales of propane; appropriating money to energy and conservation account for programs to improve energy

efficiency of residential oil-fired heating plants in low-income households; amending Minnesota Statutes 1990, section 115C.08, subdivision 3; Minnesota Statutes 1991 Supplement, section 239.78; proposing coding for new law in Minnesota Statutes, chapters 116; and 239."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 2144, A bill for an act relating to human services; providing for a pilot project for improved mental health services delivery system in Dakota county for adults with serious and persistent mental illness.

Reported the same back with the following amendments:

Page 1, line 22, delete everything after the semicolon

Page 1, delete line 23

Page 1, line 24, delete "institutional settings;" and delete "(7)" and insert "(6)"

Page 1, after line 25, insert:

"(c) By January 1, 1993, the pilot program shall develop a comprehensive proposal for integrated program funding which would permit flexibility in expenditures based on local needs with local control. The planning process shall include, but not be limited to, mental health consumers, health advocacy groups, Dakota county, and the department of human services.

The integrated funding proposal shall be presented to the state legislature for approval prior to implementation on July 1, 1993."

Page 2, line 1, delete "(c)" and insert "(d)"

Page 2, line 24, delete "(d)" and insert "(e)" and delete everything after "include"

Page 2, line 25, delete "to,"

Page 2, line 34, after the semicolon insert "and"

Page 2, line 35, delete "; and"

Page 2, line 36, delete everything before the period

Page 3, line 1, delete "(e)" and insert "(f)"

Page 3, line 10, delete "(f)" and insert "(g)"

Page 3, line 15, delete "(g)" and insert "(h)"

Page 3, line 18, delete "(h)" and insert "(i)"

Page 3, line 21, delete "(i)" and insert "(j)"

Page 3, line 23, delete "(j)" and insert "(k)"

Page 3, line 24, delete "(k)" and insert "(l)"

Page 3, line 30, before the semicolon insert ". Any mental health expenditures from regional treatment center appropriations or any share of expenditures from mental health funding used for commitment to or treatment in a regional treatment center shall not become part of any comprehensive fund or plan"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 2149, A bill for an act relating to general assistance and work readiness; transferring secondary school students for whom English is a second language from the work readiness program to the general assistance program; amending Minnesota Statutes 1991 Supplement, section 256D.05, subdivision 1.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Vellenga from the Committee on Judiciary to which was referred:

H. F. No. 2159, A bill for an act relating to local governments; reimbursing costs incurred by peace officers in defending civilian complaints; amending Minnesota Statutes 1990, section 471.44.

Reported the same back with the following amendments:

Page 2, line 5, delete everything after "pay" and insert "costs, including reasonable attorneys fees,"

Page 2, line 6, delete everything before "incurred"

Page 2, line 9, delete "for other reason"

With the recommendation that when so amended the bill pass.

The report was adopted.

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 2161, A bill for an act relating to the Minnesota supplemental aid program; expanding assistance for mentally ill persons in shared housing; amending Minnesota Statutes 1990, section 256D.44, subdivisions 2 and 3.

Reported the same back with the following amendments:

Page 1, delete section 1

Page 1, line 24, delete "Sec. 2." and insert "Section 1."

Page 2, line 7, after "person," insert "who resides with another person who is not the applicant's or recipient's spouse or another financially responsible relative,"

Amend the title as follows:

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

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 2170, A bill for an act relating to the environment; petrofund; providing that bonds or insurance must be provided by persons bidding on or performing corrective actions; proposing coding for new law in Minnesota Statutes, chapter 115C.

Reported the same back with the following amendments:

Page 1, after line 6, insert:

“Section 1. Minnesota Statutes 1990, section 115C.02, subdivision 1, is amended to read:

Subdivision 1. [APPLICABILITY.] The definitions in this section apply to ~~sections 115C.02 to 115C.10~~ this chapter.”

Page 1, line 7, delete “Section 1.” and insert “Sec. 2.” and delete “BONDS AND”

Page 1, line 8, delete “file a”

Page 1, delete lines 9 to 21

Page 1, line 22, delete everything before “provide”

Page 2, line 8, after “(4)” insert “for consulting and engineering services,”

Page 2, line 9, delete “\$1,000,000” and insert “\$500,000” and delete “\$2,000,000” and insert “\$1,000,000”

Page 2, delete lines 15 to 18, and insert:

“(b) When requested by the board, a responsible person or volunteer entering into a contract after the effective date of this section must provide evidence of the insurance coverages specified in paragraph (a), clauses (1) to (4), for contractors or consultants providing services for which reimbursement of costs is sought.”

Amend the title as follows:

Page 1, line 3, delete “bonds or” and insert “evidence of” and after “insurance” insert “coverage”

Page 1, line 4, after the semicolon insert “amending Minnesota Statutes 1990, section 115C.02, subdivision 1,”



With the recommendation that when so amended the bill pass.

The report was adopted.

Vellenga from the Committee on Judiciary to which was referred:

H. F. No. 2211, A bill for an act relating to crime; clarifying certain law enforcement powers; making technical corrections to the eligibility criteria for possession of a pistol; increasing penalties for the unlawful carrying of a pistol without a permit; amending Minnesota Statutes 1990, sections 169.98, subdivision 1a; 299D.06; 624.713, subdivision 1; and 624.714, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1990, section 169.98, subdivision 1a, is amended to read:

Subd. 1a. [VEHICLE STOPS.] ~~Except as otherwise permitted under sections 221.221 and 299D.06,~~ Only a person who is licensed as a peace officer, constable, or part-time peace officer under sections 626.84 to section 626.863 may use a motor vehicle governed by subdivision 1 to stop a vehicle as defined in section 169.01, subdivision 2.

Sec. 2. Minnesota Statutes 1991 Supplement, section 260.161, subdivision 3, is amended to read:

Subd. 3. (a) Except for records relating to an offense where proceedings are public under section 260.155, subdivision 1, peace officers' records of children shall be kept separate from records of persons 18 years of age or older and shall not be open to public inspection or their contents disclosed to the public except (1) by order of the juvenile court, (2) as required by section 126.036, (3) as authorized under section 13.82, subdivision 2, (4) to the child's parent or guardian unless disclosure of a record would interfere with an ongoing investigation, or (5) as provided in paragraph (d). Except as provided in paragraph (c), no photographs of a child taken into custody may be taken without the consent of the juvenile court unless: (1) the child is alleged to have violated section 169.121 or 169.129; (2) the child is alleged to have violated section 609.66; 609.67; or 624.713, subdivision 1, clause (a); or (3) the child is alleged to have committed an offense listed in section 609.11, subdivision 9, by using a firearm. Upon the determination of all juvenile court actions or proceedings in favor of the child, the child or the child's parents shall, upon demand, have all photographs,

copies, and duplicates returned. Any person violating any of the provisions of this subdivision shall be guilty of a misdemeanor.

(b) Nothing in this subdivision prohibits the exchange of information by law enforcement agencies if the exchanged information is pertinent and necessary to the requesting agency in initiating, furthering, or completing a criminal investigation.

(c) The commissioner of corrections may photograph juveniles whose legal custody is transferred to the commissioner. Photographs of juveniles authorized by this paragraph may be used only for institution management purposes and to assist law enforcement agencies to apprehend juvenile offenders. The commissioner shall maintain photographs of juveniles in the same manner as juvenile court records and names under this section.

(d) Traffic investigation reports are open to inspection by a person who has sustained physical harm or economic loss as a result of the traffic accident. Identifying information on juveniles who are parties to traffic accidents may be disclosed as authorized under section 13.82, subdivision 4, unless the information would identify a juvenile who was taken into custody or who is suspected of committing an offense that would be a crime if committed by an adult, or would associate a juvenile with the offense, and the offense is not a minor traffic offense under section 260.193.

Sec. 3. Minnesota Statutes 1990, section 299D.06, is amended to read:

299D.06 [INSPECTIONS; WEIGHING.]

Personnel to enforce the laws relating to motor vehicle equipment, school bus equipment, drivers license, motor vehicle registration, motor vehicle size and weight, and motor vehicle petroleum tax, to enforce public utilities commission rules relating to motor carriers, to enforce pollution control agency rules relating to motor vehicle noise abatement, and to enforce laws relating to directing the movement of vehicles shall be classified employees of the commissioner of public safety assigned to the division of state patrol. Employees engaged in these duties, while actually on the job during their working hours only, shall have power to ~~arrest~~ issue citations in lieu of arrest and continued detention and to prepare notices to appear in court for violation of these laws and rules, in the manner provided in section 169.91, subdivision 3. They shall not be armed and shall have none of the other powers and privileges reserved to peace officers.

Sec. 4. [609.672] [PERMISSIVE INFERENCE; FIREARMS IN AUTOMOBILES.]

The presence of a firearm in a passenger automobile permits the factfinder to infer knowing possession of the firearm by the driver or person in control of the automobile when the firearm was in the automobile. The inference does not apply:

(1) to a duly licensed operator of an automobile who is at the time operating it for hire in the lawful and proper pursuit of the operator's trade;

(2) to any person in the automobile if one of them legally possesses a firearm; or

(3) when the firearm is concealed on the person of one of the occupants.

Sec. 5. Minnesota Statutes 1990, section 624.713, subdivision 1, is amended to read:

Subdivision 1. [INELIGIBLE PERSONS.] The following persons shall not be entitled to possess a pistol:

(a) a person under the age of 18 years except that a person under 18 may carry or possess a pistol (i) in the actual presence or under the direct supervision of the person's parent or guardian, (ii) for the purpose of military drill under the auspices of a legally recognized military organization and under competent supervision, (iii) for the purpose of instruction, competition, or target practice on a firing range approved by the chief of police or county sheriff in whose jurisdiction the range is located and under direct supervision; or (iv) if the person has successfully completed a course designed to teach marksmanship and safety with a pistol and approved by the commissioner of natural resources;

(b) a person who has been convicted in this state or elsewhere of a crime of violence unless ten years have elapsed since the person has been restored to civil rights or the sentence has expired, whichever occurs first, and during that time the person has not been convicted of any other crime of violence. For purposes of this section, crime of violence includes crimes in other states or jurisdictions which would have been crimes of violence as herein defined if they had been committed in this state;

(c) a person who is or has ever been confined or committed in Minnesota or elsewhere as a "mentally ill," "mentally retarded," or "mentally ill and dangerous to the public" person as defined in section 253B.02, to a treatment facility, unless the person possesses a certificate of a medical doctor or psychiatrist licensed in Minnesota, or other satisfactory proof that the person is no longer suffering from this disability;

(d) a person who has been convicted in Minnesota or elsewhere for ~~the unlawful use, possession, or sale of a controlled substance other than conviction for possession of a small amount of marijuana, as defined in section 152.01, subdivision 16 of a misdemeanor or gross misdemeanor violation of chapter 152,~~ or a person who is or has ever been hospitalized or committed for treatment for the habitual use of a controlled substance or marijuana, as defined in sections 152.01 and 152.02, unless the person possesses a certificate of a medical doctor or psychiatrist licensed in Minnesota, or other satisfactory proof, that the person has not abused a controlled substance or marijuana during the previous two years;

(e) a person who has been confined or committed to a treatment facility in Minnesota or elsewhere as "chemically dependent" as defined in section 253B.02, unless the person has completed treatment. Property rights may not be abated but access may be restricted by the courts; or

(f) a peace officer who is informally admitted to a treatment facility pursuant to section 253B.04 for chemical dependency, unless the officer possesses a certificate from the head of the treatment facility discharging or provisionally discharging the officer from the treatment facility. Property rights may not be abated but access may be restricted by the courts.

A person who issues a certificate pursuant to this subdivision in good faith is not liable for damages resulting or arising from the actions or misconduct with a firearm committed by the individual who is the subject of the certificate.

Sec. 6. Minnesota Statutes 1990, section 624.7131, subdivision 10, is amended to read:

Subd. 10. [TRANSFER REPORT NOT REQUIRED.] A person who transfers a pistol to a licensed peace officer, as defined in section 626.84, subdivision 1, exhibiting a valid peace officer identification, or to a person exhibiting a valid transferee permit issued pursuant to this section or a valid permit to carry issued pursuant to section 624.714 is not required to file a transfer report pursuant to section 624.7132, subdivision 1.

Sec. 7. Minnesota Statutes 1990, section 624.7132, subdivision 4, is amended to read:

Subd. 4. [DELIVERY.] Except as otherwise provided in subdivision 7 or 8, no person shall deliver a pistol to a proposed transferee until seven days after the date of the agreement to transfer as stated on the report delivered to a chief of police or sheriff in accordance with subdivision 1 unless the chief of police or sheriff waives all or a portion of the seven day waiting period.

No person shall deliver a pistol to a proposed transferee after receiving a written notification that the chief of police or sheriff has determined that the proposed transferee is prohibited by section 624.713 from possessing a pistol.

If the transferor makes a report of transfer and receives no written notification of disqualification of the proposed transferee within seven days of the date of the agreement to transfer, the pistol may be delivered to the transferee.

Sec. 8. Minnesota Statutes 1990, section 624.7132, subdivision 8, is amended to read:

Subd. 8. [REPORT NOT REQUIRED.] (1) If the proposed transferee presents a valid transferee permit issued under section ~~624.714~~, ~~subdivision 9~~ 624.7131 or a valid permit to carry issued under section 624.714, or if the transferee is a licensed peace officer, as defined in section 626.84, subdivision 1, who presents a valid peace officer identification, the transferor need not file a transfer report.

(2) If the transferor makes a report of transfer and receives no written notification of disqualification of the proposed transferee within seven days of the date of the agreement to transfer, no report or investigation shall be required under this section for any additional transfers between that transferor and that transferee which are made within 30 days of the date on which delivery of the first pistol may be made under subdivision 4.

Sec. 9. [EFFECTIVE DATE.]

Section 4 is effective August 1, 1992, and applies to offenses occurring on or after that date."

Delete the title and insert:

"A bill for an act relating to crime; clarifying certain law enforcement powers; permitting law enforcement agencies to take photographs of juveniles who are in custody for a firearms-related offense; creating a permissive inference of possession with respect to a firearm in an automobile; making technical corrections to the eligibility criteria and transfer process applicable to permits to possess a pistol; amending Minnesota Statutes 1990, sections 169.98, subdivision 1a; 299D.06; 624.713, subdivision 1; 624.7131, subdivision 10; and 624.7132, subdivisions 4 and 8; Minnesota Statutes 1991 Supplement, section 260.161, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 609."

With the recommendation that when so amended the bill pass.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2226, A bill for an act relating to retirement; St. Paul police relief association; validating a change in the date on which personal and benefit payments are made.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2242, A bill for an act relating to human rights; declaring a state policy of zero tolerance of violence; encouraging state agencies to act to implement the policy; proposing coding for new law in Minnesota Statutes, chapters 1 and 15.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2250, A bill for an act relating to public safety officer's survivor benefits; altering a definition; amending Minnesota Statutes 1990, section 299A.41, subdivision 3.

Reported the same back with the following amendments:

Page 1, after line 13, insert:

"Sec. 2. Minnesota Statutes 1990, section 299A.41, subdivision 4, is amended to read:

Subd. 4. [PUBLIC SAFETY OFFICER.] "Public safety officer" includes:

(1) a peace officer defined in section 626.84, subdivision 1, paragraph (c) or (f);

(2) a correction officer employed at a correctional facility and charged with maintaining the safety, security, discipline, and custody of inmates at the facility;

(3) a firefighter employed on a full-time basis by the state or by a fire department of a governmental subdivision of the state, who is engaged in the hazards of firefighting;

(4) a legally enrolled member of a volunteer fire department or member of an independent nonprofit firefighting corporation who is engaged in the hazards of firefighting;

(5) a good samaritan while complying with the request or direction of a public safety officer to assist the officer;

(6) a reserve police officer or a reserve deputy sheriff while acting under the supervision and authority of a political subdivision;

(7) a driver or attendant with a licensed basic or advanced life support transportation service who is engaged in providing emergency care; and

(8) a first responder who is certified by the commissioner of health to perform basic emergency skills before the arrival of a licensed ambulance service and who is a member of an organized service recognized by a local political subdivision to respond to medical emergencies to provide initial medical care before the arrival of an ambulance.

Sec. 3. [299A.47] [CLAIMS LIMITATION; DATA CLASSIFICATION.]

Subdivision 1. [FILING LIMITATIONS.] Claims for benefits from the public safety officer's death benefit account made by or on behalf of a survivor of a public safety officer must be filed within two years after the date of death of the officer.

Subd. 2. [CLAIM CLASSIFICATION.] Claims for death benefits and supporting documents and reports are investigative data and subject to the provisions of section 13.39 until the claim is paid, denied, withdrawn, or abandoned. Following the payment, denial, withdrawal, or abandonment of a claim, the claim and supporting documents and reports are private data on individuals as defined in section 13.02, subdivision 12.

Sec. 4. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment.

Amend the title as follows:

Page 1, line 3, after "definition;" insert "providing a claim filing limitation and data classification;"

Page 1, line 4, delete "subdivision 3" and insert "subdivisions 3 and 4; proposing coding for new law in Minnesota Statutes, chapter 299A"

With the recommendation that when so amended the bill pass.

The report was adopted.

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 2254, A bill for an act relating to occupations and professions; clarifying membership requirements for the board of pharmacy; amending Minnesota Statutes 1991 Supplement, section 151.03.

Reported the same back with the following amendments:

Page 1, line 13, delete "hole" and insert "whole"

Page 1, after line 24, insert:

"Sec. 2. [APPLICATION.]

Section 1 is effective for appointments made after August 1, 1992."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2257, A bill for an act relating to retirement; authorizing purchase of prior service credit from the teachers retirement association by a certain employee of independent school district No. 197.



Reported the same back with the recommendation that the bill pass.

The report was adopted.

Skoglund from the Committee on Financial Institutions and Insurance to which was referred:

H. F. No. 2261, A bill for an act relating to state government; executive council; regulating depositories for state funds; amending Minnesota Statutes 1990, section 9.031, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 9; repealing Minnesota Statutes 1990, section 9.031, subdivisions 1, 2, 3, 4, 5, and 10.

Reported the same back with the following amendments:

Page 1, after line 20, insert:

“The banks or trust companies so designated as depositories must have received ratings of “outstanding” or “satisfactory” as their most recent rating under section 47.83 or under United States Code, title 12, section 2906.”

Page 3, after line 34, insert:

“Sec. 8. Minnesota Statutes 1990, section 9.031, is amended by adding a subdivision to read:

Subd. 13. [LOSS OF REQUIRED COMMUNITY REINVESTMENT RATING.] If a state depository receives a community reinvestment rating, as provided in section 9.025, that is below “satisfactory,” the executive council shall revoke its designation as a depository. The executive council may delay the effective date of the revocation if necessary to allow a reasonable period of time to arrange for a replacement depository.”

Page 3, line 35, delete “8” and insert “9”

Renumber the sections in sequence

Correct internal references

Amend the title as follows:

Page 1, line 3, after the semicolon, insert “requiring state depositories to satisfy community reinvestment standards;”

With the recommendation that when so amended the bill pass.

The report was adopted.

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 2273, A bill for an act relating to mental health; adding licensed marriage and family therapists to the list of qualified mental health professionals; amending Minnesota Statutes 1991 Supplement, sections 245.462, subdivision 18; and 245.4871, subdivision 27.

Reported the same back with the following amendments:

Page 2, line 11, delete "4,000 hours" and insert "two years"

Page 3, line 20, delete "4,000 hours" and insert "two years"

With the recommendation that when so amended the bill pass.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2283, A bill for an act relating to the legislature; declaring a state policy for children, youth, and their families; amending the responsibilities of the legislative commission on children, youth, and their families; appropriating money; amending Minnesota Statutes 1991 Supplement, section 3.873, subdivisions 1, 4, 5, and by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 2285, A bill for an act relating to unemployment compensation; requiring waiver of certain benefit overpayments; amending Minnesota Statutes 1990, section 268.18, subdivision 1.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2298, A bill for an act relating to state government; creating a legislative commission on occupational regulation; revising state policy on occupational regulation; appropriating money; amending Minnesota Statutes 1990, section 214.001, subdivisions 1 and 3; proposing coding for new law in Minnesota Statutes, chapter 3.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Segal from the Committee on Economic Development to which was referred:

H. F. No. 2302, A bill for an act relating to cities; requiring an equitable distribution of state and local funds in neighborhood revitalization programs; amending Minnesota Statutes 1990, section 469.203, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1990, section 469.1831, is amended by adding a subdivision to read:

Subd. 8. [DISTRIBUTION OF LOCAL FUNDS.] Each city shall ensure that money used for revitalization under its neighborhood revitalization program is distributed equitably to all geographic parts of the city. To be equitable for the purposes of this section, distribution of funds must be in proportion to the population, geographic area, and needs of each commonly identified neighborhood in the city. Distribution of funds is not equitable if a lottery or other method of random chance is a basis upon which funding for programs is determined.

Sec. 2. [EFFECTIVE DATE.]

Section 1 applies to all expenditures of program money made after August 1, 1992."

Delete the title and insert:

"A bill for an act relating to cities; requiring an equitable distribution of local funds in neighborhood revitalization programs; amending Minnesota Statutes 1990, section 469.1831, by adding a subdivision."

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2309, A bill for an act relating to natural resources; requiring establishment of aquatic management areas; amending Minnesota Statutes 1990, section 86A.05, by adding a subdivision.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Anderson, I., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2319, A bill for an act relating to Ramsey county; providing for the certification of eligibles for county positions; amending Minnesota Statutes 1990, section 383A.291, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, line 12, delete "the Lake" and insert "a county facility or for another reason"

Page 1, line 13, delete "Owasso residence"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2334, A bill for an act relating to game and fish; exempting certain minors from whitefish and ciscoe net licensing; amending Minnesota Statutes 1990, section 97A.451, subdivision 2.

Reported the same back with the following amendments:

Page 1, line 13, delete "with not more than two nets"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 2341, A bill for an act relating to transportation; authorizing nonoperating assistance for public transit service; amending Minnesota Statutes 1990, section 174.24, subdivisions 3, 5, and by adding subdivisions; repealing Minnesota Statutes 1990, section 174.245.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2345, A bill for an act relating to state government; clarifying that the open meeting law applies to advisory bodies; providing that a court may award attorney's fees to the prevailing party in an action brought under the open meeting law; amending Minnesota Statutes 1990, section 471.705, subdivision 2; Minnesota Statutes 1991 Supplement, section 471.705, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1990, section 471.705, subdivision 2, is amended to read:

Subd. 2. Any person who violates subdivision 1 shall be subject to personal liability in the form of a civil penalty in an amount not to exceed \$100 for a single occurrence. An action to enforce this penalty may be brought by any person in any court of competent jurisdiction where the administrative office of the governing body is located. Upon a third violation by the same person connected with the same governing body, such person shall forfeit any further right to serve on such governing body or in any other capacity with such public body for a period of time equal to the term of office such person was then serving. The court determining the merits of any action in connection with any alleged third violation shall receive competent, relevant evidence in connection therewith and, upon finding as to the occurrence of a separate third violation, unrelated to the previous violations issue its order declaring the position vacant and notify the appointing authority or clerk of the governing body. As soon as practicable thereafter the appointing authority or the governing body shall fill the position as in the case of any other vacancy. The prevailing party, in addition to other remedies, may recover reasonable costs, disbursements, and attorney's fees from: (1) the defendant if the court finds that the violation was committed with knowing intent to violate subdivision 1 and in bad faith; or (2) the plaintiff if the court finds the plaintiff's position was substantially without foundation in fact or law.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective August 1, 1992, and applies to actions commenced after that date."

Delete the title and insert:

"A bill for an act relating to state government; providing that a prevailing party may be awarded costs and attorney's fees for an action brought under the open meeting law; amending Minnesota Statutes 1990, section 471.705, subdivision 2."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 2349, A bill for an act relating to motor vehicles; allowing registrar to recover the cost of manufacturing and issuing motor vehicle license plates and stickers; crediting fees from the sale of license plates to the highway user tax distribution fund; amending Minnesota Statutes 1990, sections 168.012, by adding a subdivision;

168.042, by adding a subdivision; 168.12, subdivisions 2 and 5; 168.128, by adding a subdivision; and 168.29; Minnesota Statutes 1991 Supplement, section 168.041, by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2352, A bill for an act relating to state agencies; providing that agency heads may not delegate affirmative action duties; amending Minnesota Statutes 1990, section 43A.191, subdivision 1.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2369, A bill for an act relating to retirement; authorizing a benefit increase for certain retired police officers and surviving spouses in the city of Thief River Falls.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Vellenga from the Committee on Judiciary to which was referred:

H. F. No. 2379, A bill for an act relating to public safety; requiring offenders to pay for probation services; imposing a tax on the retail sale of rifles, shotguns, and semi-automatic rifles; requiring a fee for pistol permits; amending Minnesota Statutes 1990, section 624.714, subdivisions 6 and 7; proposing coding for new law in Minnesota Statutes, chapters 244; 297A; and 609.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1990, section 241.26, subdivision 5, is amended to read:

Subd. 5. [EARNINGS; WORK RELEASE ACCOUNT.] The net earnings of each inmate participating in the work release program provided by this section may be collected by or forwarded to the commissioner of corrections for deposit to the account of the inmate in the work release account in the state treasury, or the inmate may be permitted to collect, retain, and expend the net earnings from the inmate’s employment under rules established by the commissioner of corrections. The money collected by or forwarded to the commissioner under the rules shall remain under the control of the commissioner for the sole benefit of the inmate. Wages under the control of the commissioner and wages retained by the inmate may be disbursed by the commissioner or expended by the inmate for the following purposes and in the following order:

(1) The cost of the inmate’s keep as determined by subdivision 7, which money shall be deposited in the general fund of the state treasury if the inmate is housed in a state correctional facility, or shall be paid directly to the place of confinement as designated by the commissioner pursuant to subdivision 1;

(2) Necessary travel expense to and from work and other incidental expenses of the inmate;

(3) Support of inmate’s dependents, if any;

(4) Court-ordered restitution, if any;

(5) Court-ordered fines, if any;

(6) Contribution to any programs established by law to aid victims of crime, provided that the contribution must not be more than 20 percent of the inmate’s gross wages;

~~(6)~~ (7) Restitution to the commissioner of corrections ordered by a prison disciplinary hearing officer for damage to property caused by an inmate’s conduct;

~~(7)~~ (8) After the above expenditures, the inmate shall have discretion to direct payment of the balance, if any, upon proper proof of personal legal debts;

~~(8)~~ (9) The balance, if any, shall be disbursed to the inmate as provided in section 243.24, subdivision 1.

All money in the work release account are appropriated annually to the commissioner of corrections for the purposes of the work release program.



Sec. 2. [244.17] [PROBATION SERVICE FEES; IMPOSITION OF OFFENDERS.]

Subdivision 1. [DEFINITION.] As used in this section, "probation services" means those services authorized under section 260.311 and provided by local correctional agencies.

Subd. 2. [PROBATION SERVICE FEES.] A local correctional agency may establish a schedule of probation service fees to charge persons convicted of a crime and placed on probation under the supervision and control of the local correctional agency. The probation service fees on the schedule must be reasonably related to defendants' abilities to pay and the actual cost of probation services.

Subd. 3. [FEE COLLECTION.] The chief executive officer of a local correctional agency may authorize probation officers to collect probation service fees assessed under section 3. The probation officer may collect the fee at any time while the offender is under sentence or after the sentence has been discharged. The probation officer may use any available civil means of debt collection in collecting a probation service fee.

Subd. 4. [EXEMPTION FROM FEE.] The probation officer shall waive payment of a probation service fee if so ordered by the court under section 3. If the court fails to waive the fee, the probation officer may, upon approval of the chief executive officer of the local correctional agency, waive payment of the fee if the probation officer determines that the offender does not have the ability to pay the fee, the prospects for payment are poor, or there are extenuating circumstances justifying waiver of the fee.

Subd. 5. [RESTITUTION PAYMENT PRIORITY.] If a defendant has been ordered by a court to pay restitution and a probation service fee, the defendant shall be obligated to pay the restitution ordered before paying the probation service fee.

Subd. 6. [USE OF FEES.] The probation service fees shall be used by the local correctional agency to pay the costs of probation officer salaries and other probation-related expenses.

Sec. 3. [609.102] [PROBATION SERVICE FEES; IMPOSITION BY COURT.]

Subdivision 1. [DEFINITION.] As used in this section, "probation service fee" means a fee for probation services established by a local correctional agency under section 2.

Subd. 2. [IMPOSITION OF FEE.] When a court places a defendant on probation under section 609.135 under the supervision and control of a local correctional agency, the court shall impose a

probation service fee based on the local correctional agency's probation service fee schedule adopted under section 2.

Subd. 3. [FEE EXEMPTION.] The court may waive payment of a probation service fee if it makes findings on the record that the convicted person is exempt due to any of the factors named under section 2, subdivision 4. The court shall consider prospects for payment during the term of supervision by the local correctional agency.

Subd. 4. [RESTITUTION PAYMENT PRIORITY.] If in addition to placing the defendant on probation, the court orders the defendant to pay restitution, the court shall order that the restitution be paid before any probation service fee.

Sec. 4. Minnesota Statutes 1990, section 609.748, subdivision 2, is amended to read:

Subd. 2. [RESTRAINING ORDER; JURISDICTION.] A person who is a victim of harassment may seek a restraining order from the district court in the manner provided in this section. The parent or guardian of a minor who is a victim of harassment may seek a restraining order from the juvenile district court on behalf of the minor.

Sec. 5. [EFFECTIVE DATE.]

Sections 2 and 3 are effective August 1, 1992, and apply to crimes committed on or after that date."

Delete the title and insert:

"A bill for an act relating to public safety; requiring offenders to pay for probation services; amending Minnesota Statutes 1990, sections 241.26, subdivision 5; and 609.748, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 244; and 609."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 2415, A bill for an act relating to human services; prohibiting restrictions on the right to provide licensed day care; proposing coding for new law in Minnesota Statutes, chapter 245A.

Reported the same back with the following amendments:

Page 2, line 19, delete the colon

Page 2, delete line 20

Page 2, line 21, delete the paragraph coding and delete "(2)"

With the recommendation that when so amended the bill pass.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2435, A bill for an act relating to the department of employee relations; public employment; removing a committee's expiration date; modifying retirement program options; expanding a bidding requirement exemption; amending Minnesota Statutes 1990, section 43A.316, subdivisions 4, 6, and 10; Minnesota Statutes 1991 Supplement, section 43A.316, subdivision 8; repealing Laws 1990, chapter 589, article 2, section 3.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2437, A bill for an act relating to the environment; pollution control; conforming certain pollution control measures to federal Clean Air Act amendments; authorizing assessment of emission fees; changing method used for calculating emission fees; changing the definition of chlorofluorocarbons; establishing a small business air quality compliance assistance program; providing for the appointment of an ombudsman for small business air quality compliance assistance; creating a small business air quality compliance advisory council; amending Minnesota Statutes 1990, section 116.70, subdivision 3; Minnesota Statutes 1991 Supplement, section 116.07, subdivision 4d; proposing coding for new law in Minnesota Statutes, chapter 116.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2483, A bill for an act relating to natural resources; extending the term of certain timber permits.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 2505, A bill for an act relating to telephones; allowing telephone companies to offer caller identification service to its subscribers; proposing coding for new law in Minnesota Statutes, chapter 237.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [237.74] [CALLER IDENTIFICATION SERVICES; BLOCKING.]

Subdivision 1. [CALLER IDENTIFICATION.] Subject to subdivision 2, a telephone company may elect to offer, for a reasonable fee, caller identification service to its subscribers who purchase a caller identification device for installation on the subscriber's telephone or who purchase a telephone with a built-in caller identification device. “Caller identification device” means a device that displays to the person being called the number of the telephone being used by the caller or the name of the subscriber of the telephone being used by the caller.

Subd. 2. [BLOCKING FEATURE.] If a telephone company elects to offer caller identification service, it must also offer the option for a subscriber to employ a blocking feature to prevent the communication of the information about the caller that would otherwise be communicated to a subscriber receiving the call who has purchased a caller identification device and the caller identification service described in subdivision 1. A blocking feature that a subscriber may

use on a call-by-call basis must be provided free of any additional charge or fee. A telephone company may charge a fee to be determined by the commission for a blocking feature that affects all calls placed from a subscriber's telephone."

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2508, A bill for an act relating to public safety; providing for membership on emergency response commission and regional review committees; requiring mining companies to comply with the hazardous chemical inventory reporting provisions of the federal emergency planning and community right to know act; amending Minnesota Statutes 1990, sections 299K.03, subdivisions 2 and 3; 299K.04, subdivision 1; and 299K.08, subdivision 2.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Segal from the Committee on Economic Development to which was referred:

H. F. No. 2520, A bill for an act relating to economic development; creating standards for quasi-public agencies; proposing coding for new law in Minnesota Statutes, chapter 15.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [15.013] [QUASI-PUBLIC AGENCIES.]

Subdivision 1. [SHORT TITLE.] This section shall be cited as the "Minnesota quasi-public agency act."

Subd. 2. [DEFINITION.] For the purposes of this section "quasi-public agency" means:

(1) the Agricultural Utilization Research Institute, Minnesota Technology, Inc., Minnesota Project Outreach Corporation, Minne-

sota zoological garden, World Trade Center Corporation, and Advantage Minnesota Inc.; and

(2) any specific nonprofit corporation, public corporation, or nonprofit public corporation expressly created by statute.

Subd. 3. [BOARD OF DIRECTOR; REQUIREMENTS.] Except as otherwise expressly provided by law, the board of directors of a quasi-public agency:

(1) is subject to section 471.705 except when security, trade secrets, a company's competitive position, potential client lists, pending proposals, negotiations, employee matters, or labor relations information are discussed;

(2) shall annually submit director pay and expense reimbursement schedules to the commissioner of finance for review;

(3) shall hire an executive officer only after conducting a national search; and

(4) shall annually submit a report to the governor and legislature that includes, but is not limited to, the following:

(i) a list of all board of directors meetings;

(ii) a list of funded projects;

(iii) a list of outside individuals and firms receiving more than \$10,000 in loans, grants, or payments for services;

(iv) a balance sheet showing all revenues and expenditures;

(v) the agency's affirmative action policy statement; and

(vi) a description of planned activities for the next fiscal year.

Subd. 4. [EXPENSES; MANAGEMENT CONTROLS; AUDITS.] A quasi-public agency may incur expenses only for public purposes, and in amounts and for purposes that are equivalent to a state agency. The board of directors and officers of a quasi-public agency shall establish an internal control structure to protect agency resources. A quasi-public agency, except an agency audited by the legislative auditor, must contract for an annual financial and compliance audit and make the results available to the governor, the legislature, and the legislative auditor.

Subd. 5. [DATA.] A quasi-public agency is a state agency for the purposes of the Minnesota government data practices act. If, in the course of providing assistance to a private company, a quasi-public

agency obtains information about the company which relates to the company's competitive position and which the company considers to be sensitive, that information shall be classified as private data with regard to data on individuals under section 13.02, subdivision 12, or as nonpublic data with regard to data not on individuals under section 13.02, subdivision 9, whichever is applicable."

With the recommendation that when so amended the bill pass.

The report was adopted.

Segal from the Committee on Economic Development to which was referred:

H. F. No. 2530, A bill for an act relating to economic development; creating a mission statement for the department of trade and economic development; proposing coding for new law in Minnesota Statutes, chapter 116J.

Reported the same back with the following amendments:

Page 1, line 23, after "development" insert "and in the development of its economic blueprint for the state"

Page 2, line 9, after "(5)" insert "to expand and promote the development of tourism as a growing and vital part of the state economy;

(6)"

Page 2, line 12, delete "(6)" and insert "(7)"

Page 2, line 14, delete "(7)" and insert "(8)"

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2539, A bill for an act relating to natural resources; payments by the state on lands enrolled in a certain federal program; proposing coding for new law in Minnesota Statutes, chapter 477A.

Reported the same back with the following amendments:

Page 1, delete lines 21 and 22, and insert:

“There shall be deducted from amounts paid any amounts paid to a county during the preceding year pursuant to sections 89.036; 97A.061, subdivisions 1 and 2; 272.68, subdivision 3; and 477A.12.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2565, A bill for an act relating to retirement; providing for surviving spouse benefits for the Minneapolis Police Relief Association and the Minneapolis Fire Department Relief Association; amending Laws 1949, chapter 406, section 6, subdivision 1, as amended; and Laws 1965, chapter 519, section 1, as amended.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 2577, A bill for an act relating to towns; authorizing town boards to disclaim and extinguish a town interest in abandoned town roads; amending Minnesota Statutes 1990, section 164.06.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2578, A bill for an act relating to game and fish; limiting the prohibition on the use of radio equipment to take protected wild animals to big game and small game; amending Minnesota Statutes 1990, section 97B.085, subdivision 1.



Reported the same back with the recommendation that the bill pass.

The report was adopted.

Segal from the Committee on Economic Development to which was referred:

H. F. No. 2586, A bill for an act relating to cultural resources; reorganizing the nature of a Saint Paul tourism and cultural district; appropriating money.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [CAPITAL CITY CULTURAL RESOURCES COMMISSION.]

Subdivision 1. The legislature finds that the capital city of Saint Paul:

(1) encourages the use of many of its downtown facilities for state agencies and their personnel;

(2) encourages a wide range of cultural attractions for tourists and visitors to the capital city that reflect its multicultural city and state community; and

(3) encourages the development of a strong link between downtown civic and cultural amenities to aid in economic development by establishing a true and distinguishable identity, building upon its civic and cultural industries to increase day and night time vitality.

Subd. 2. A capital city cultural resources commission is established to review and recommend to the state legislature, the Ramsey county board, and the mayor of Saint Paul, the proper use of state and local financial resources to develop Saint Paul as a “cultural capital,” a resource for the state and region, including, but not limited to:

(1) acquisition, construction, expansion, and remodeling of facilities comprising the cultural capital area of Saint Paul and downtown, including, but not limited to, the Saint Paul Civic Center complex, Science Museum of Minnesota, Children’s Museum, Minnesota Museum of Art, Minnesota History Center, Ordway Music Theatre, Landmark Center, and the historic and cultural attractions of the capitol area;

(2) plans for the possible use of the downtown area as educational and visitors' center for the capital city;

(3) stabilization and ongoing support of the civic and cultural industries; and

(4) attracting and developing new cultural institutions.

Subd. 3. The commission shall be composed of 22 members selected as follows:

(1) one member from the Minnesota house of representatives, selected by the speaker from among the members whose district represents all or part of the city of Saint Paul;

(2) one member from the Minnesota senate, selected by the senate committee on rules and administration from among the members whose district represents all or part of the city of Saint Paul;

(3) one member of the Ramsey county board, selected by the county board;

(4) the mayor of the city of Saint Paul, who shall be the commission's chair;

(5) two members of the Saint Paul city council, selected by the council;

(6) the chair of the capitol area architectural and planning board or designee;

(7) eight members of the public, selected by the mayor of the city of Saint Paul, who are residents of or have their principal place of business located within the city of Saint Paul; and

(8) seven members of the public appointed by the Saint Paul city council, with each council member selecting one person who is a resident of or has a principal place of business in the council member's ward.

The commission membership must include representation from the following groups: business, labor, art funders and providers, and civic and education.

Members of the commission shall serve without compensation. Expenses that would be reimbursed for state employees shall be reimbursed to members. The commission may accept gifts, grants, or donations from public and private entities to assist with the cost of its work. Gifts, grants, or donations are not subject to Minnesota

Statutes, chapter 10A, or other law or rule regulating lobbying expenses.

Subd. 4. The members of the commission shall hold their first meeting on or before May 15, 1992. The commission shall review plans and recommend priorities for the development and financing of projects and programs. It shall submit a report on its findings and prioritized recommendations to the legislature, the city of Saint Paul, and the Ramsey county board on or before January 1, 1993.

Sec. 2. [EFFECTIVE DATE.]

Section 1 takes effect the day following final enactment and expires upon the submission of the report under section 1, subdivision 4."

Delete the title and insert:

"A bill for an act providing for a study of the civic and cultural functions of downtown Saint Paul."

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2592, A bill for an act relating to natural resources; revising certain laws concerning commercial activities related to wild animals; providing penalties; amending Minnesota Statutes 1990, sections 84.091, subdivision 3; 84.093; 94A.105, subdivisions 1, 2, 3, 4, and by adding a subdivision; 97A.215, subdivision 1; 97A.421, subdivision 1; 97A.425, subdivisions 1, 2, and 3; 97A.475, subdivisions 19, 21, 22, and 24; 97A.505, subdivision 4; 97B.601, subdivision 2; 97B.905, subdivisions 1, 2, 3, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 97A; repealing Minnesota Statutes 1990, section 97A.105, subdivision 6.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1  
GINSENG

Section 1. Minnesota Statutes 1990, section 84.091, subdivision 3, is amended to read:

Subd. 3. [LICENSE FEES.] (a) The fees for the following licenses, to be issued to residents only, are:

(1) for harvesting wild rice, \$12.50;

(2) for buying and selling wild ginseng, \$5;

~~(3)~~ for a wild rice dealer's license to buy and sell 50,000 pounds or less, \$70; and

(4) (3) for a wild rice dealer's license to buy and sell more than 50,000 pounds, \$250.

(b) The weight of the wild rice shall be determined in its raw state.

Sec. 2. Minnesota Statutes 1990, section 84.093, is amended to read:

84.093 [WILD GINSENG; REGULATION OF ACTIVITIES RELATED TO HARVEST AND SALE; LICENSES AND FEES; RECORDS AND REPORTS.]

Subdivision 1. [REGULATION.] For the purpose of protecting wild ginseng (*Panax quinquefolium*) from excessive and indiscriminate harvest and therefore protect the plant and its habitat from endangerment and possible extinction, it is in the public interest and serves a public purpose to regulate ginseng of any kind, whether wild or not, as provided in this section. In furtherance of those objectives, the commissioner, by order published under section 3.846, may establish rules including seasons and limitations for harvesting to conserve wild, possessing, transporting, buying, and selling ginseng.

Subd. 2. [LICENSES AND FEES.] (a) A person may not harvest ginseng without an annual cultivator-harvester license. The annual fee for this license is \$12.50. The license authorizes the licensee to harvest ginseng for resale, purchase seed for planting purposes only, sell wild or nonwild dried ginseng to licensed dealers, and possess and transport ginseng for sale.

(b) Except as otherwise provided in this subdivision, no person may possess, transport, buy, or sell ginseng of any kind without a dealer's license. The annual fee for a resident dealer is \$35. The

annual fee for a nonresident dealer is \$75. The commissioner shall deposit fees required by this subdivision in the game and fish fund.

(c) This subdivision does not apply to a person who cultivates, harvests, possesses, transports, or buys less than ten ounces of ginseng of any kind for personal use.

Subd. 3. [RECORDS AND REPORTS.] The commissioner may require persons who are required to be licensed under this section to maintain records and submit reports in a format that the commissioner prescribes. The records required under this section must be available for inspection by the commissioner or the commissioner's employees at all reasonable times, and must be preserved and available for three years after the expiration of a license that required them.

Subd. 4. [PENALTIES.] A person who violates any provision of this section or any commissioner's rule adopted under this section is guilty of a misdemeanor.

## ARTICLE 2

### MISCELLANEOUS CHANGES CONCERNING COMMERCIAL ACTIVITIES RELATED TO GAME AND FISH

Section 1. Minnesota Statutes 1990, section 97A.421, subdivision 1, is amended to read:

Subdivision 1. [GENERAL.] (a) The license of a person convicted of a violation of the game and fish laws relating to the license or wild animals covered by the license is void when:

(1) a second conviction occurs within three years under a license to take small game or to take fish by angling or spearing;

(2) a third conviction occurs within one year under a minnow dealer's license; or

(3) a second conviction occurs within three years for incomplete or illegible entries in records required of persons who buy or sell wild animals, tan or dress raw furs, or engage in taxidermy or taxidermy-related businesses, that are not falsifications or intentional omissions of information required to be recorded or attempts to conceal unlawful acts within the records; or

(4) the conviction occurs under a license not described in clause (1) or (2).

(b) Except for big game licenses and as otherwise provided in this

section, for one year after the conviction the person may not obtain the kind of license relating to the game and fish law violation.

Sec. 2. Minnesota Statutes 1990, section 97A.505, subdivision 4, is amended to read:

Subd. 4. [STORAGE OF PROTECTED WILD ANIMALS.] A person that stores protected wild animals for others must plainly mark the package, in ink, with the date of receipt, name and address of the owner, the license number of the person taking the animal, and the number and species in the package. A person may not use a commercial cold storage warehouse for protected wild animals, except lawfully taken fish and furs.

Sec. 3. [97A.507] [SALE OF NONMIGRATORY BIRD FEATHERS.]

The feathers, excluding the whole skin, of ruffed and spruce grouse, sharp-tailed grouse, gray partridge, and pheasants, lawfully taken, may be possessed, transported, bought, and sold without license for the following purposes:

- (1) the making of fishing flies;
- (2) the making of clothing or bedding; or
- (3) ornamental purposes.

The skins of nonmigratory birds may not be possessed, transported, bought, or sold except as allowed under the game and fish laws.

Sec. 4. [97A.512] [SALE OF INEDIBLE PORTIONS OF CERTAIN ANIMALS AND GAME BIRDS.]

Subdivision 1. [LAWFUL PORTIONS.] Except as otherwise provided by the game and fish laws and as restricted in this section, a person may possess, transport, buy, and sell the following inedible portions of lawfully taken or acquired big game animals, furbearing animals, and game birds other than migratory waterfowl:

- (1) bones, including skulls;
- (2) sinews;
- (3) hides;
- (4) hooves;

(5) teeth;

(6) claws; and

(7) antlers.

Subd. 2. [UNLAWFUL PORTIONS.] No person may buy or sell the following inedible portions of big game animals:

(1) bear gall bladders; and

(2) bear paws, unless attached to the hide.

Sec. 5. [REPORT TO LEGISLATURE.]

The department shall report the effects of Minnesota Statutes, section 97A.512, subdivisions 1 and 2, on big game, furbearing animals, game birds other than migratory waterfowl, and law enforcement to the legislature by November 15, 1996.

Sec. 6. [RULEMAKING.]

The commissioner may establish rules for taxidermy that include requirements for reporting, record keeping, and marking requirements.

Sec. 7. [EFFECTIVE DATE.]

Unless otherwise provided, this act is effective March 1, 1993."

Delete the title and insert:

"A bill for an act relating to natural resources; revising certain laws concerning commercial activities related to wild animals; providing penalties; amending Minnesota Statutes 1990, sections 84.091, subdivision 3; 84.093; 97A.421, subdivision 1; and 97A.505, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 97A."

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2593, A bill for an act relating to state lands; authorizing

public sale of certain tax-forfeited land that borders public water in Kandiyohi county.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 2594, A bill for an act relating to drivers' licenses; abolishing requirements to surrender driver's license under certain circumstances; amending Minnesota Statutes 1990, sections 169.121, subdivision 7; 169.123, subdivision 5a; 171.11; and 171.22, subdivision 1; Minnesota Statutes 1991 Supplement, section 171.02, subdivision 1; repealing Minnesota Statutes 1990, section 171.20, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1990, section 169.121, subdivision 7, is amended to read:

Subd. 7. [NOTICE OF REVOCATION.] On behalf of the commissioner of public safety a court shall serve notice of revocation on a person convicted of a violation of this section unless the commissioner has already revoked the person's driving privileges or served the person with a notice of revocation for a violation of section 169.123 arising out of the same incident. ~~The court shall take the license or permit of the driver, if any, or obtain a sworn affidavit stating that the license or permit cannot be produced, and send it to the commissioner with a record of the conviction and issue a temporary license effective only for the period during which an appeal from the conviction may be taken. No person who is without driving privileges at the time shall be issued a temporary license and any temporary license issued shall bear the same restrictions and limitations as the driver's license or permit for which it is exchanged.~~

~~The commissioner shall issue additional temporary licenses until the final determination of whether there shall be a revocation under this section.~~

Sec. 2. Minnesota Statutes 1990, section 169.123, subdivision 5a, is amended to read:



Subd. 5a. [PEACE OFFICER AGENT FOR NOTICE OF REVOCATION OR DISQUALIFICATION.] On behalf of the commissioner of public safety a peace officer requiring a test or directing the administration of a chemical test shall serve immediate notice of intention to revoke and of revocation on a person who refuses to permit a test or on a person who submits to a test the results of which indicate an alcohol concentration of 0.10 or more. On behalf of the commissioner of public safety, a peace officer requiring a test or directing the administration of a chemical test of a person driving, operating, or in physical control of a commercial motor vehicle shall serve immediate notice of intention to disqualify and of disqualification on a person who refuses to permit a test, or on a person who submits to a test the results of which indicate an alcohol concentration of 0.04 or more. The officer shall either:

(1) take the driver's license or permit of the driver, if any, and issue a temporary license, effective only for seven days. ~~The peace officer, and shall send the person's driver's license it to the commissioner of public safety along with the certificate required by subdivision 4; or~~

(2) invalidate the driver's license or permit in such a way that no identifying information is destroyed.

Sec. 3. Minnesota Statutes 1990, section 169.14, subdivision 10, is amended to read:

Subd. 10. [RADAR; SPEEDALYZER SPEED-MEASURING DEVICES; STANDARDS OF EVIDENCE.] In any prosecution in which the rate of speed of a motor vehicle is relevant, evidence of the speed as indicated on radar or other speedalyzer speed-measuring devices is admissible in evidence, subject to the following conditions:

(a) The officer operating the device has sufficient training to properly operate the equipment;

(b) The officer testifies as to the manner in which the device was set up and operated;

(c) The device was operated with minimal distortion or interference from outside sources; and

(d) The device was tested by an accurate and reliable external mechanism, method, or system at the time it was set up.

Records of tests made of such devices and kept in the regular course of operations of any law enforcement agency are admissible in evidence without further foundation as to the results of the tests. The records shall be available to a defendant upon demand. Nothing in this subdivision shall be construed to preclude or interfere with

cross examination or impeachment of evidence of the rate of speed as indicated on the radar or ~~speedalyzer~~ speed-measuring device.

Sec. 4. Minnesota Statutes 1991 Supplement, section 169.444, subdivision 7, is amended to read:

Subd. 7. [EVIDENTIARY ~~PRESUMPTION~~ PRESUMPTIONS.]  
 (a) There is a rebuttable presumption that signals described in section 169.442 were in working order and operable when a violation of subdivision 1, 2, or 5 was allegedly committed, if the signals of the applicable school bus were inspected and visually found to be in working order and operable within 12 hours preceding the incident giving rise to the violation.

(b) There is a rebuttable presumption that a motor vehicle outwardly equipped and identified as a school bus satisfies all of the identification and equipment requirements of section 169.441 when a violation of subdivision 1, 2, or 5 was allegedly committed, if the applicable school bus bears a current inspection certificate issued under section 169.451.

Sec. 5. Minnesota Statutes 1991 Supplement, section 171.01, subdivision 24, is amended to read:

Subd. 24. [SPECIAL TRANSPORTATION SERVICE.] "Special transportation service" means motor vehicle transportation provided on a regular basis by a public or private entity or person that is designed primarily to serve individuals who are elderly, handicapped, or disabled and who are unable to use regular means of transportation but do not require ambulance service, as defined in section 144.801, subdivision 4. Special transportation service includes but is not limited to service provided by specially equipped buses, vans, and taxis. Special transportation service does not include ~~a volunteer driver using a private passenger vehicle that belongs to the volunteer~~ services exempted in section 174.30.

Sec. 6. Minnesota Statutes 1991 Supplement, section 171.02, subdivision 1, is amended to read:

Subdivision 1. [LICENSE REQUIRED.] No person, except those hereinafter expressly exempted, shall drive any motor vehicle upon any street or highway in this state unless such person has a license valid under the provisions of this chapter for the type or class of vehicle being driven. No person shall receive a driver's license unless and until ~~the person surrenders to the department all valid driver's licenses in possession issued to the person by any other jurisdiction. All surrendered licenses shall be returned by person's license from any jurisdiction has been invalidated by the department. The department shall provide to the issuing department together with of any jurisdiction, information that the licensee is now licensed in new jurisdiction~~ Minnesota. No person shall be permitted to have more

than one valid driver's license at any time. No person to whom a current Minnesota identification card has been issued may receive a driver's license, other than an instruction permit or a limited license, unless the person surrenders to the department any person's Minnesota identification card issued to the person under section 171.07, subdivision 3 has been invalidated by the department.

Sec. 7. Minnesota Statutes 1991 Supplement, section 171.02, subdivision 2, is amended to read:

Subd. 2. [DRIVER'S LICENSE CLASSIFICATIONS, ENDORSEMENTS, EXEMPTIONS.] Drivers' licenses shall be classified according to the types of vehicles which may be driven by the holder of each type or class of license. The commissioner may, as appropriate, subdivide the classes listed in this subdivision and issue licenses classified accordingly. No class of license shall be valid to operate a motorcycle, school bus, special transportation service vehicle, tank vehicle, double-trailer or triple-trailer combination, vehicle transporting hazardous materials, or bus, unless so endorsed. There shall be four general classes of licenses as follows:

(a) Class C; valid for:

(1) all farm trucks operated by (i) the owner, (ii) an immediate family member of the owner, (iii) an employee of the owner not primarily employed to operate the farm truck, within 150 miles of the farm, or (iv) an employee of the owner employed during harvest to operate the farm truck for the first, continuous transportation of agricultural products from the production site or on-farm storage site to any other location within 50 miles of that site;

(2) fire trucks and emergency fire equipment, whether or not in excess of 26,000 pounds gross vehicle weight, operated by a firefighter while on duty, or a tiller operator employed by a fire department who drives the rear portion of a midmount aerial ladder truck;

(3) recreational equipment as defined in section 168.011, subdivision 25, that is operated for personal use; and

(4) all single unit vehicles and combinations of vehicles, except commercial motor vehicles with a gross vehicle weight of more than 26,000 pounds, vehicles designed to carry more than 15 passengers including the driver, and vehicles that carry hazardous materials; and

(5) with a special transportation service vehicle endorsement, operating a motor vehicle providing special transportation service.

The holder of a class C license may also tow vehicles if the

~~combination of vehicles has a gross vehicle weight of 26,000 pounds or less.~~

(b) Class CC; valid for:

(1) operating class C vehicles;

(2) with a hazardous materials endorsement, transporting hazardous materials in class C vehicles; and

(3) with a school bus endorsement, operating school buses designed to transport 15 or fewer passengers, including the driver.

(c) Class B; valid for all vehicles in class C, class CC, and all other single unit vehicles including, with a passenger endorsement, buses. The holder of a class B license may also tow vehicles with a gross vehicle weight of 10,000 pounds or less.

(d) Class A; valid for any vehicle or combination thereof.

Sec. 8. Minnesota Statutes 1991 Supplement, section 171.10, subdivision 2, is amended to read:

Subd. 2. [ENDORSEMENTS ADDED.] Any person, after applying for or receiving a driver's license and prior to the expiration year of the license, who wishes to have a motorcycle, school bus, ~~special transportation service vehicle~~, tank vehicle, passenger, double-trailer or triple-trailer, or hazardous materials vehicle endorsement added to the license, shall, after taking the necessary examination, apply for a duplicate license and make payment of the proper fee.

Sec. 9. Minnesota Statutes 1990, section 171.11, is amended to read:

171.11 [CHANGE OF DOMICILE OR NAME.]

When any person, after applying for or receiving a driver's license, shall change permanent domicile from the address named in such application or in the license issued to the person, or shall change a name by marriage or otherwise, such person shall, within 30 days thereafter, make application apply for a duplicate driver's license upon a form furnished by the department; such and pay the required fee. The application or duplicate license shall show both the licensee's old address and new address or the former name and new name as the case may be. ~~Such application for a duplicate license, upon change of address or change of name, shall be accompanied by all certificates of driver's license then in the possession of the applicant together with the required fee.~~

Sec. 10. Minnesota Statutes 1991 Supplement, section 171.13, subdivision 5, is amended to read:

Subd. 5. [FEE FOR VEHICLE ENDORSEMENT.] Any person applying to secure a motorcycle, school bus, ~~special transportation service vehicle,~~ tank vehicle, passenger, double-trailer or triple-trailer, or hazardous materials vehicle endorsement on the person's driver's license shall pay a \$2.50 examination fee at the place of application.

Sec. 11. Minnesota Statutes 1990, section 171.22, subdivision 1, is amended to read:

Subdivision 1. [ACTS.] With regard to any driver's license, including a commercial driver's license, it shall be unlawful for any person:

(1) to display, cause or permit to be displayed, or have in possession, any:

(i) canceled, revoked, or suspended driver's license;

(ii) driver's license for which the person has been disqualified; or

(iii) fictitious or fraudulently altered driver's license or Minnesota identification card;

(2) to lend the person's driver's license or Minnesota identification card to any other person or knowingly permit the use thereof by another;

(3) to display or represent as one's own any driver's license or Minnesota identification card not issued to that person;

~~(4) to fail or refuse to surrender to the department, upon its lawful demand, any driver's license or Minnesota identification card which has been suspended, revoked, canceled, or for which the holder has been disqualified;~~

~~(5) to use a fictitious name or date of birth to any police officer or in any application for a driver's license or Minnesota identification card, or to knowingly make a false statement, or to knowingly conceal a material fact, or otherwise commit a fraud in any such application;~~

~~(6) (5) to alter any driver's license or Minnesota identification card;~~

~~(7) (6) to take any part of the driver's license examination for another or to permit another to take the examination for that person;~~

~~(8)~~ (7) to make a counterfeit driver's license or Minnesota identification card; or

~~(9)~~ (8) to use the name and date of birth of another person to any police officer for the purpose of falsely identifying oneself to the police officer.

Sec. 12. Minnesota Statutes 1991 Supplement, section 171.323, subdivision 1, is amended to read:

Subdivision 1. [DRIVER'S LICENSE WITH ENDORSEMENT REQUIRED.] No person shall drive a motor vehicle providing special transportation service within the seven-county metropolitan area as defined in section 473.121, subdivision 2, without having a valid ~~class A, class B, or class CC~~ driver's license for the class of vehicle being driven with a special transportation service vehicle endorsement.

Sec. 13. [REPEALER.]

Minnesota Statutes 1990, section 171.20, subdivision 1, is repealed.

Sec. 14. [EFFECTIVE DATE.]

Sections 1 to 13 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to drivers' licenses; eliminating requirement for drivers of special transportation vehicles to take examination for license endorsement; abolishing requirements to surrender driver's license under certain circumstances; making technical changes; providing evidentiary presumption regarding school bus identification and equipment requirements; amending Minnesota Statutes 1990, sections 169.121, subdivision 7; 169.123, subdivision 5a; 169.14, subdivision 10; 171.11; and 171.22, subdivision 1; Minnesota Statutes 1991 Supplement, sections 169.444, subdivision 7; 171.01, subdivision 24; 171.02, subdivisions 1 and 2; 171.10, subdivision 2; 171.13, subdivision 5; and 171.323, subdivision 1; repealing Minnesota Statutes 1990, section 171.20, subdivision 1."

With the recommendation that when so amended the bill pass.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2601, A bill for an act relating to retirement; providing continued coverage in the Minnesota state retirement system for certain employees; amending Minnesota Statutes 1990, sections 352.01, subdivision 2a; and 352.04, subdivision 6.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 2606, A bill for an act relating to education; transferring the Waseca campus to the state board of technical colleges; specifying conditions; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 136C.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Murphy from the Committee on Energy to which was referred:

H. F. No. 2621, A bill for an act relating to energy; establishing energy efficiency standards for room air conditioners; amending Minnesota Statutes 1990, section 216C.19, subdivision 13.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Segal from the Committee on Economic Development to which was referred:

H. F. No. 2632, A bill for an act relating to economic development; establishing the affirmative enterprise program; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 116J.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Segal from the Committee on Economic Development to which was referred:

H. F. No. 2635, A bill for an act relating to economic development; establishing an intergovernmental planning and study commission; appropriating money.

Reported the same back with the following amendments:

Page 1, after line 5, insert:

“Section 1. Minnesota Statutes 1990, section 116J.966, is amended by adding a subdivision to read:

Subd. 3. [TRADE ADVISORY COUNCIL.] The commissioner shall establish a trade advisory council under section 15.014 to advise and assist the commissioner on matters related to international trade including, but not limited to, trade promotion, agricultural export promotion, trade and export development, and trade financing. The commissioner shall appoint 15 members to the trade advisory council representing international business operations, including one or more representatives of export trading companies, international banking departments, international law departments, exporting companies, and multinational corporations. To the extent practicable, members should be appointed to achieve representation from diverse geographic areas, company sizes, and economic sectors.

Sec. 2. [INTERNATIONAL PROTOCOL AND HOSPITALITY COMMISSION.]

Subdivision 1. [PURPOSE.] The legislature finds there is a need for a legislative commission to appropriately host foreign visitors to the legislature and the state of Minnesota. Globalization and international commerce are increasingly important to Minnesota. The exchange of ideas, products, and commodities brings a corresponding increase in the number of foreign dignitaries, delegations, and trade missions visiting this state. A legislative commission can serve the special needs of these visitors and appropriately recognize the importance of their visits to the state.

Subd. 2. [MEMBERSHIP.] The international hospitality and protocol commission consists of ten members selected as follows:



(1) five members of the house of representatives with three members appointed by the speaker and two members appointed by the minority leader of the house of representatives; and

(2) five members of the senate with three members appointed by the committee on rules and legislation and two members appointed by the minority leader of the senate.

Subd. 3. [COMPENSATION.] Legislative members are compensated in the same manner as for other legislative meetings.

Subd. 4. [DUTIES.] The international hospitality and protocol commission shall:

(1) serve as legislative hosts to foreign visitors to the legislature, trade delegations, and trade missions;

(2) advise and inform other members of the legislature of foreign visitors; and

(3) develop an official legislative recognition to give to foreign visitors."

Page 4, line 21, delete "1" and insert "3"

Page 4, line 23, delete the first "1" and insert "3"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "an" and insert "a trade advisory council, an international protocol and hospitality commission, and an"

Page 1, line 4, before the period insert "; amending Minnesota Statutes 1990, section 116J.966, by adding a subdivision"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 2640, A bill for an act relating to occupations and

professions; elevators and boilers; providing that boilers used for mint oil extraction are considered to be used for agricultural or horticultural purposes; amending Minnesota Statutes 1991 Supplement, section 183.56.

Reported the same back with the following amendments:

Page 2, line 11, before the semicolon insert "but are subject to inspection under section 183.45"

With the recommendation that when so amended the bill pass.

The report was adopted.

Murphy from the Committee on Energy to which was referred:

H. F. No. 2643, A bill for an act relating to energy; requiring energy providers to solicit contributions from customers for fuel funds that distribute emergency energy assistance to low-income households; establishing a statewide fuel fund in the department of jobs and training; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 268.

Reported the same back with the following amendments:

Page 1, line 22, delete "complies with all of" and insert "meets" and delete "eligibility" and insert "minimum"

Page 1, line 27, delete "shall" and insert "may"

Page 2, line 7, delete "must" and insert "may"

Page 2, line 8, delete "must" and insert "may"

Page 2, line 32, after the period, insert "The remaining two-thirds of the policy council must be comprised of persons representing energy providers, customers, local energy assistance providers, existing fuel fund delivery agencies, and community action agencies." and delete "shall" and insert "may"

Amend the title as follows:

Page 1, line 2, delete "requiring" and insert "providing that" and delete "to" and insert "may"

With the recommendation that when so amended the bill pass.

The report was adopted.

Segal from the Committee on Economic Development to which was referred:

H. F. No. 2650, A bill for an act relating to telecommunications; appropriating money to facilitate public sector regional telecommunications systems statewide, to create a public sector telecommunications clearinghouse, and to continue STARS telecommunications master planning development, including matching funds for pilot project development, in the Northeast and Southeast regions.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 2657, A bill for an act relating to utilities; making adjustments in how telephone service rates are determined when extended area telephone service is established; amending Minnesota Statutes 1990, section 237.161, subdivision 3, and by adding a subdivision.

Reported the same back with the following amendments:

Page 1, line 20, strike "50" and insert "25"

Page 2, line 32, delete "pending or"

With the recommendation that when so amended the bill pass.

The report was adopted.

Murphy from the Committee on Energy to which was referred:

H. F. No. 2669, A bill for an act relating to energy; changing requirements for energy metering of individual dwelling units; repealing Minnesota Statutes 1990, section 216C.27, subdivision 8.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2680, A bill for an act relating to state government; the department of administration; directing the commissioner of administration to monitor the availability of federal money to state agencies and agency application for and receipt of federal grants; requiring agencies to cooperate with the commissioner; requiring reports to the legislature; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 16B.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Skoglund from the Committee on Financial Institutions and Insurance to which was referred:

H. F. No. 2688, A bill for an act relating to insurance; solvency; making various technical corrections; amending Minnesota Statutes 1990, sections 60A.03, subdivision 6; and 60A.10, subdivision 4; Minnesota Statutes 1991 Supplement, sections 60A.092, subdivision 3; 60A.11, subdivisions 13 and 20; 60A.112; 60A.12, subdivision 10; 60A.124; and 60D.17, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 60C; repealing Minnesota Statutes 1991 Supplement, section 72A.206.

Reported the same back with the following amendments:

Page 4, line 24, after the period insert "Pursuant to section 106 of title I of the Secondary Mortgage Market Enhancement Act of 1984, United States Code, title 15, section 77r-1, included under this paragraph are obligations issued or guaranteed by the Federal Home Loan Mortgage Corporation and the Federal National Mortgage Association."

Page 4, line 32, delete everything after the period

Page 4, delete lines 33 to 36

Page 5, delete line 1

Page 8, line 29, delete "should" and insert "must"

Page 10, after line 24, insert:

"Sec. 11. Minnesota Statutes 1990, section 61B.03, subdivision 5, is amended to read:

Subd. 5. [CONTRACTUAL OBLIGATION.] "Contractual obligation" means any obligation under covered policies. For guaranteed investment contracts and similar policies where employers, trustees, or other third parties own or control the policies but the premiums or other consideration for the contracts or policies are paid by employees or similar persons who will be entitled to benefits from the policy or contract, contractual obligation means the obligation to those employees or similar persons, and not any obligation to the employer, trustee, or other third party owner of the contract or policy.

Sec. 12. Laws 1991, chapter 325, article 5, section 6, is amended to read:

Sec. 6. [EFFECTIVE DATE.]

Sections 2 and 3 are effective August 1, ~~1992~~ 1993."

Page 10, line 25, delete "11" and insert "13"

Page 10, line 28, delete "12" and insert "14"

Page 10, line 29, delete "11" and insert "13"

Amend the title as follows:

Page 1, line 5, after the semicolon insert "61B.03, subdivision 5;"

Page 1, line 8, after the semicolon insert "Laws 1991, chapter 325, article 5, section 6;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2704, A bill for an act relating to state government;

increasing the size of the council on Asian-Pacific Minnesotans; providing for representation of various Asian-Pacific communities on the council; amending Minnesota Statutes 1991 Supplement, section 3.9226, subdivision 1.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Segal from the Committee on Economic Development to which was referred:

H. F. No. 2708, A bill for an act relating to community service; providing the Minnesota jobs in community service act; establishing a community service program; appropriating money; proposing coding for new law in Minnesota Statutes, chapters 16B; and 121.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Osthoff from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 2711, A bill for an act relating to counties; establishing procedures for filling certain vacancies on county boards by general election; amending Minnesota Statutes 1990, section 375.101, by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Anderson, I., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2712, A bill for an act relating to counties; providing for financing of acquisition, construction, equipping, and improvement of correctional facilities; authorizing certain leasing agreements; authorizing the sale of bonds; providing for tax levies; establishing a correctional facilities fund; amending Minnesota Statutes 1990, sections 401.02, subdivision 3; 401.05; 469.153, subdivision 2; and 641.24.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2718, A bill for an act relating to natural resources; authorizing expenditure of funds for development of waterfowl breeding grounds in Canada; proposing coding for new law in Minnesota Statutes, chapter 97A.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2719, A bill for an act relating to natural resources; authorizing the commissioner of natural resources to advance state funds for the purpose of matching nonstate funds under certain conditions; amending Minnesota Statutes 1991 Supplement, section 84.085, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, line 12, after the comma insert "the National Fish and Wildlife Foundation,"

Page 1, line 25, after "with" insert "the National Fish and Wildlife Foundation,"

Page 1, line 26, after "commissioner" insert "to"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Clark from the Committee on Housing to which was referred:

H. F. No. 2741, A bill for an act relating to housing; creating a regional housing revitalization program; imposing a deed tax on

certain real property transfers within the metropolitan area; appropriating money; amending Minnesota Statutes 1990, sections 287.21, subdivisions 1 and 2; 287.29, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 473.

Reported the same back with the following amendments:

Page 3, after line 2, insert:

“Sec. 4. [462A.206] [REGIONAL HOUSING REVITALIZATION FUND.]

Subdivision 1. [CREATION.] The regional housing revitalization fund is created as a separate account in the housing development fund. The regional housing revitalization fund is a revolving loan fund. The fund consists of all revenue deposited in it under section 287.21, subdivision 2, and all other funds made available to the fund by law.

Subd. 2. [USES OF FUND.] The agency may make loans to cities located in a metropolitan county as defined in section 473.121, subdivision 4, for housing revitalization under terms and conditions determined by the governing board established under section 473.202, for projects approved by the governing board. “Housing revitalization” means rehabilitation of housing as defined in section 462A.03, subdivision 15. Demolition of property is housing revitalization when undertaken with respect to a project to provide housing for low- and moderate-income families, to provide green space or for other public purposes.

Sec. 5. Minnesota Statutes 1990, section 462A.21, is amended by adding a subdivision to read:

Subd. 17. [REGIONAL HOUSING REVITALIZATION FUND.] It may make loans for the purpose of section 4 and may pay the costs and expenses necessary and incidental to the operation of the loan program.”

Page 3, delete lines 4 to 31

Page 3, line 32, delete “Subd. 4. [METROPOLITAN COUNCIL; GOVERNING BOARD.]”

Page 3, line 35, delete “municipalities” and insert “cities under section 4”

Page 4, line 6, after the period insert “To access the fund a municipality must have a housing plan approved by its local governing body and reviewed by the metropolitan council. Applica-



tion for funds must be approved by the governing body with citizen input. The target population for projects or programs funded must be individuals and families at or below 60 percent of the area median income as determined by the Department of Housing and Urban Development and adjusted for family size. At least 75 percent of the funds must be used for the target population."

Page 4, line 10, after the period insert "Members of the board must represent the interests of realtors, city planners, lenders, nonprofit developers, apartment owners, low-income persons, housing advocates, advocates for the homeless, and single or multifamily builders."

Page 4, line 13, after the period insert "The board shall report biennially to the legislature on the use and expenditure of funds under this section. The first report shall be due January 15, 1994. The report shall include information on the number and size of housing units created; the income levels, size, and racial or ethnic composition of the families served; and the number of units demolished."

Page 4, after line 16, insert:

"Sec. 8. [APPROPRIATION.]

\$...... is appropriated to the Minnesota housing finance agency for the regional housing revitalization fund."

Page 4, line 19, delete "4" and insert "6"

Reorder the sections in sequence

Correct internal references

Amend the title as follows:

Page 1, line 7, after the semicolon insert "and 462A.21, by adding a subdivision;"

Page 1, line 8, delete "chapter 473" and insert "chapters 462A; and 473"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2744, A bill for an act relating to the department of employee relations; modifying expense account terms and uses; amending Minnesota Statutes 1991 Supplement, section 43A.48.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 2749, A bill for an act relating to telecommunications; authorizing the telecommunications access for communication-impaired persons' board to advance money to contractors under certain conditions; prescribing the terms and compensation of board members; amending Minnesota Statutes 1990, sections 237.51, subdivision 3; and 237.52, subdivision 5.

Reported the same back with the following amendments:

Page 2, after line 18, insert:

"Sec. 3. [EFFECTIVE DATE.]

Section 2 is effective the day following final enactment."

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, I., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2757, A bill for an act relating to courts; authorizing issuance of bonds to finance the construction of centrally located suburban Ramsey county court facility; amending Minnesota Statutes 1990, sections 488A.18, subdivision 10; and 488A.185; proposing coding for new law in Minnesota Statutes, chapter 488A.

Reported the same back with the following amendments:

Page 2, delete section 3

Delete the title and insert:

“A bill for an act relating to courts; requiring Ramsey county to provide one centrally located site for holding court; amending Minnesota Statutes 1990, sections 488A.18, subdivision 10; and 488A.185.”

With the recommendation that when so amended the bill pass.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 2768, A bill for an act relating to education; transferring functions of the higher education coordinating board; changing the membership, terms, and functions of the higher education board; allowing the merger of certain technical colleges by agreement; requiring the merger of certain technical and community colleges similarly located; amending Minnesota Statutes 1991 Supplement, sections 15A.081, subdivision 7b; 136E.01; 136E.02; 179A.10, subdivision 2; Laws 1991, chapter 356, article 9, section 8, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 136E; repealing Minnesota Statutes 1990, sections 136A.01; 136A.02; 136A.03; Minnesota Statutes 1991 Supplement, sections 135A.061; 135A.50; 136A.04; 136E.03; 136E.04; 136E.05; Laws 1991, chapter 356, article 9, section 8, subdivisions 3 to 9; and sections 9 to 16.

Reported the same back with the following amendments:

Pages 9 and 10, delete section 6

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Clark from the Committee on Housing to which was referred:

H. F. No. 2773, A bill for an act relating to housing and redevelopment authorities; permitting use of general obligation bonds for housing projects; amending Minnesota Statutes 1990, section 469.034.

Reported the same back with the following amendments:

Page 2, line 6, after "housing" insert "development"

Page 2, line 10, before "issue" insert "principal amount of the"

Page 2, line 14, delete "120" and insert "15"

Page 2, line 15, delete "15" and insert "120"

Page 2, line 17, delete "lesser" and insert "greater"

Page 2, line 18, before "one" insert "one-half of"

Page 2, line 19, after "obligation" insert "which includes a tax on property"

Page 2, line 20, delete "\$5,000,000 for the authority" and insert "\$3,000,000"

Page 2, line 24, after the period insert "Obligations under this subdivision are excluded from net debt limits."

Page 2, line 26, after "housing" insert "development"

Page 2, line 31, after "housing" insert "development" in both places

Page 2, line 33, after "low" insert "or moderate"

Amend the title as follows:

Page 1, line 3, after "housing" insert "development"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 2785, A bill for an act relating to education; creating the Waseca higher education center; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 135A.

Reported the same back with the following amendments:

Page 1, delete lines 10 to 15

Page 2, delete lines 13 to 17

Page 2, line 21, delete "by the center's board"

Renumber the remaining subdivisions in sequence

Correct internal references

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2792, A bill for an act relating to retirement; providing level benefits for members of the Minneapolis fire department relief association.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2800, A bill for an act relating to health care; providing health coverage for low-income uninsured persons; establishing statewide and regional cost containment programs; reforming requirements for health insurance companies; establishing rural health system initiatives; creating quality of care and data collection programs; revising malpractice laws; creating a health care access account; imposing taxes; appropriating money; amending

Minnesota Statutes 1990, sections 43A.316, by adding a subdivision; 62A.02, subdivisions 1, 2, 3, and by adding subdivisions; 62E.11, by adding a subdivision; 62H.01; 136A.1355, subdivisions 2 and 3; 145.682, subdivision 4; 256.936, subdivisions 1, 2, 3, 4, and by adding subdivisions; and 290.01, subdivision 19b; Minnesota Statutes 1991 Supplement, sections 62A.31, subdivision 1; 145.61, subdivision 5; 145.64, subdivision 2; 256.936, subdivision 5; and 297.02, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 16A; 62A; 62E; 62J; 136A; 137; 144; 144A; 256; 256B; 295; and 604; proposing coding for new law as Minnesota Statutes, chapter 62L; repealing Minnesota Statutes 1990, sections 62A.02, subdivisions 4 and 5.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 2801, A bill for an act relating to health care; providing health coverage for low-income uninsured persons; establishing statewide and regional cost containment programs; reforming requirements for health insurance companies; establishing rural health system initiatives; creating quality of care and data collection programs; revising malpractice laws; creating a health care access account; imposing taxes; appropriating money; amending Minnesota Statutes 1990, sections 43A.316, by adding a subdivision; 62A.02, subdivisions 1, 2, 3, and by adding subdivisions; 62E.11, by adding a subdivision; 62H.01; 136A.1355, subdivisions 2 and 3; 145.682, subdivision 4; 256.936, subdivisions 1, 2, 3, 4, and by adding subdivisions; and 290.01, subdivision 19b; Minnesota Statutes 1991 Supplement, sections 62A.31, subdivision 1; 145.61, subdivision 5; 145.64, subdivision 2; 256.936, subdivision 5; and 297.02, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 16A; 62A; 62E; 62J; 136A; 137; 144; 144A; 256; 256B; 295; and 604; proposing coding for new law as Minnesota Statutes, chapter 62L; repealing Minnesota Statutes 1990, sections 62A.02, subdivisions 4 and 5.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Skoglund from the Committee on Financial Institutions and Insurance to which was referred:

H. F. No. 2802, A bill for an act relating to health care; providing health coverage for low-income uninsured persons; establishing statewide and regional cost containment programs; reforming requirements for health insurance companies; establishing rural health system initiatives; creating quality of care and data collection programs; revising malpractice laws; creating a health care access account; imposing taxes; appropriating money; amending Minnesota Statutes 1990, sections 43A.316, by adding a subdivision; 62A.02, subdivisions 1, 2, 3, and by adding subdivisions; 62E.11, by adding a subdivision; 62H.01; 136A.1355, subdivisions 2 and 3; 145.682, subdivision 4; 256.936, subdivisions 1, 2, 3, 4, and by adding subdivisions; and 290.01, subdivision 19b; Minnesota Statutes 1991 Supplement, sections 62A.31, subdivision 1; 145.61, subdivision 5; 145.64, subdivision 2; 256.936, subdivision 5; and 297.02, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 16A; 62A; 62E; 62J; 136A; 137; 144; 144A; 256; 256B; 295; and 604; proposing coding for new law as Minnesota Statutes, chapter 62L; repealing Minnesota Statutes 1990, sections 62A.02, subdivisions 4 and 5.

Reported the same back with the following amendments:

Page 60, line 31, after "policies" insert "including policies that supplement Medicare issued by health maintenance organizations or those policies governed by section 1833 or 1876 of the federal Social Security Act, United States Code, title 42, section 1395, et seq."

Page 60, lines 32 to 35, delete the new language

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2813, A bill for an act relating to occupations and professions; board of accountancy; establishing procedures for the board to carry out disciplinary proceedings; providing penalties; amending Minnesota Statutes 1990, section 326.211, subdivision 9; proposing coding for new law in Minnesota Statutes, chapter 326; repealing Minnesota Statutes 1990, sections 326.23; and 326.231.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2823, A bill for an act relating to the environment; providing that diesel-powered motor vehicles that are exempt from testing may verify the exemption at the place of registration rather than at a testing station; amending Minnesota Statutes 1990, section 116.61, subdivision 1.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2842, A bill for an act relating to state trails; establishing a Southeast Blufflands Trail System in southeastern Minnesota; amending Minnesota Statutes 1990, section 85.015, by adding a subdivision.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 2876, A bill for an act relating to trade regulations; providing for the calculation of late payment charges by cable and subscription television companies; proposing coding for new law in Minnesota Statutes, chapter 238.

Reported the same back with the recommendation that the bill pass.

The report was adopted.



**SECOND READING OF HOUSE BILLS**

H. F. Nos. 355, 802, 1453, 1738, 1751, 1865, 1960, 1978, 2034, 2081, 2082, 2113, 2132, 2159, 2170, 2211, 2226, 2242, 2250, 2254, 2257, 2261, 2273, 2285, 2302, 2309, 2319, 2334, 2341, 2345, 2352, 2369, 2415, 2435, 2437, 2483, 2505, 2508, 2520, 2530, 2565, 2577, 2578, 2586, 2592, 2593, 2594, 2601, 2621, 2640, 2643, 2657, 2669, 2704, 2711, 2744, 2749, 2757, 2792, 2813, 2823, 2842 and 2876 were read for the second time.

**INTRODUCTION AND FIRST READING  
OF HOUSE BILLS**

The following House Files were introduced:

Winter introduced:

H. F. No. 2921, A bill for an act relating to taxation; income; imposing a tax for individuals, estates, and trusts computed as a percentage of federal income tax liability; proposing coding for new law as Minnesota Statutes, chapter 289B; repealing Minnesota Statutes 1990, sections 290.01, subdivisions 19b, 19f, 19g, and 20e; 290.032; 290.067, as amended; 290.0802, as amended; 290.081; and 290.091, as amended; Minnesota Statutes 1991 Supplement, sections 290.01, subdivisions 19a; 290.06, subdivisions 2c and 2d; and 290.0671.

The bill was read for the first time and referred to the Committee on Taxes.

Krambeer introduced:

H. F. No. 2922, A resolution memorializing Congress to refrain from imposing upon the states' constitutional authority to regulate traffic and motor vehicle safety within their respective boundaries, and specifically, to refrain from mandating the passage of state laws requiring the use of motorcycle helmets, safety belts, and child restraint systems.

The bill was read for the first time and referred to the Committee on Transportation.

Bettermann, Fellow, Erhardt, Frederick and Waltman introduced:

H. F. No. 2923, A bill for an act relating to workers' compensation;

regulating benefits, providers, dispute resolution, and insurance; appropriating money; imposing penalties; amending Minnesota Statutes 1990, sections 15A.083, subdivision 7; 79.095; 79.251, by adding subdivisions; 79.252, subdivisions 1 and 3; 79.55, subdivision 2; 79.56, by adding a subdivision; 79.58, subdivision 2; 79.61, subdivision 1; 175.007; 176.011, subdivisions 3, 11a, 18, 27, and by adding a subdivision; 176.021, subdivision 3; 176.041, subdivision 1a; 176.061, subdivision 10, and by adding a subdivision; 176.081, subdivisions 1, 2, and 3; 176.101, subdivisions 1, 2, 4, 5, 6, 8, and by adding subdivisions; 176.102, subdivisions 1, 2, 4, 6, 9, and 11; 176.103, subdivisions 2, 3, and by adding a subdivision; 176.105, subdivisions 1 and 4; 176.111, subdivisions 6, 7, 8, 12, 14, 15, 18, 20, and 21; 176.135, subdivisions 1, 5, 6, and 7; 176.136, subdivisions 1, 2, and by adding subdivisions; 176.179; 176.181, subdivision 3, and by adding a subdivision; 176.183; 176.215, by adding a subdivision; 176.221, subdivision 6a; 176.261; 176.305, subdivision 1; 176.351, subdivision 2a; 176.421, subdivision 7; 176.442; 176.461; 176.645, subdivisions 1 and 2; 176.66, subdivision 11; 176.82; 176.83, subdivision 5, and by adding a subdivision; 176A.03, by adding a subdivision; 221.141, subdivision 1; 268.08, subdivision 3; 353.33, subdivision 5; 480A.06, subdivisions 3 and 4; 609.52, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 79; and 176; repealing Minnesota Statutes 1990, sections 79.54; 79.57; 79.58, subdivision 1; 175A.01; 175A.02; 175A.03; 175A.04; 175A.05; 175A.06; 175A.07; 175A.08; 175A.09; 175A.10; 176.011, subdivision 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; 176.106; 176.111, subdivision 8a; 176.131; 176.132; 176.135, subdivision 3; and 176.136, subdivision 5.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Jefferson and Reding introduced:

H. F. No. 2924, A bill for an act relating to licensure board powers; amending the examination procedure for licensing optometrists; amending Minnesota Statutes 1990, section 148.57, subdivision 1.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Dawkins introduced:

H. F. No. 2925, A bill for an act relating to local government; prohibiting publication of pictures of officials in county and city publications; amending Minnesota Statutes 1990, section 471.68, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Greenfield introduced:

H. F. No. 2926, A bill for an act relating to human services; providing for continuous eligibility for work readiness under certain conditions; extending eligibility duration; establishing a grant diversion program; changing penalties; amending Minnesota Statutes 1990, section 256D.101, by adding a subdivision; Minnesota Statutes 1991 Supplement, sections 256D.051, subdivisions 1 and 1a; and 256D.052, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 256D; repealing Minnesota Statutes 1990, section 256D.09, subdivision 3.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Greenfield introduced:

H. F. No. 2927, A bill for an act relating to human services; requiring the commissioner to contract with a prepaid dental plan company to provide dental services to recipients of medical assistance, general assistance medical care, and the children's health plan; amending Minnesota Statutes 1990, section 256B.0625, subdivision 9.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Greenfield introduced:

H. F. No. 2928, A bill for an act relating to human services; clarifying and expanding restrictions on giving away assets or income to gain eligibility for medical assistance; requiring an institutionalized spouse on medical assistance to use available income and assets for health care and personal needs; permitting medical assistance liens against real property; prohibiting trust clauses that make trust assets unavailable to a beneficiary if the beneficiary becomes eligible for medical assistance; amending Minnesota Statutes 1990, sections 256B.059, subdivision 5; 256B.0595, subdivision 1; 256B.15, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 501B.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Waltman; Olson, K.; Bettermann and Haukoos introduced:

H. F. No. 2929, A bill for an act relating to education; prohibiting new state mandates for schools without a funding source; proposing coding for new law in Minnesota Statutes, chapter 126.

The bill was read for the first time and referred to the Committee on Education.

Kahn, Munger, Battaglia, Lasley and Pauly introduced:

H. F. No. 2930, A bill for an act relating to forestry and the environment; providing for the Minnesota releaf program; creating a steering committee and regional committees; assessing a fee on the carbon content of certain fuels; providing for offsets from fees; providing penalties; appropriating money; amending Minnesota Statutes 1991 Supplement, section 88.82; proposing coding for new law in Minnesota Statutes, chapters 88 and 116.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Trimble introduced:

H. F. No. 2931, A bill for an act relating to employment; requiring compensation for employees for being on-call; proposing coding for new law in Minnesota Statutes, chapter 181.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Boo, Munger and Jaros introduced:

H. F. No. 2932, A bill for an act relating to capital improvements; authorizing bonds and appropriating money for capital planning for the University of Minnesota-Duluth campus library addition.

The bill was read for the first time and referred to the Committee on Appropriations.

Tunheim introduced:

H. F. No. 2933, A bill for an act relating to education; changing computations for purposes of sparsity and supplemental revenue; amending Minnesota Statutes 1991 Supplement, section 124A.22, subdivisions 5 and 8.

The bill was read for the first time and referred to the Committee on Education.

Tunheim introduced:

H. F. No. 2934, A bill for an act relating to education; changing the computation for revenue reduction in certain cases; amending Minnesota Statutes 1991 Supplement, section 124A.26, subdivision 1.

The bill was read for the first time and referred to the Committee on Education.

Erhardt and Krambeer introduced:

H. F. No. 2935, A bill for an act relating to taxation; property; providing for classification of homesteads owned by persons at least 65 years of age; prohibiting an increase in estimated market value for homesteads owned by persons at least 65 years of age; amending Minnesota Statutes 1990, section 273.11, subdivision 5, and by adding a subdivision; Minnesota Statutes 1991 Supplement, section 273.11, subdivision 1; and 273.13, subdivision 22.

The bill was read for the first time and referred to the Committee on Taxes.

Kahn and Stanius introduced:

H. F. No. 2936, A bill for an act relating to agriculture; restricting ecologically harmful exotic terrestrial plants; imposing a penalty; proposing coding for new law in Minnesota Statutes, chapter 18.

The bill was read for the first time and referred to the Committee on Agriculture.

Hartle, McEachern, Weaver, Leppik and Bauerly introduced:

H. F. No. 2937, A bill for an act relating to education; authorizing the state board of education to appoint the commissioner of education; amending Minnesota Statutes 1990, section 121.16, subdivision 1.

The bill was read for the first time and referred to the Committee on Education.

Smith introduced:

H. F. No. 2938, A bill for an act relating to waters; requiring identification and inspection of watercraft operated in zebra mussel infested waters; authorizing fines for violations; proposing coding for new law in Minnesota Statutes, chapter 86B.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Janezich and Sarna introduced:

H. F. No. 2939, A bill for an act relating to cemeteries; providing for additional care fund charges in the sale of certain cemetery lots; amending Minnesota Statutes 1990, section 306.15.

The bill was read for the first time and referred to the Committee on Commerce.

Rest and Janezich introduced:

H. F. No. 2940, A bill for an act relating to taxation; income and franchise; updating references to the Internal Revenue Code; providing for payment of corporate estimated tax; amending Minnesota Statutes 1990, section 289A.26, subdivision 7; Minnesota Statutes 1991 Supplement, section 290.01, subdivision 19.

The bill was read for the first time and referred to the Committee on Taxes.

Pugh, by request, and Pelowski, by request, introduced:

H. F. No. 2941, A bill for an act relating to economic development; authorizing excursion boat gambling; establishing an excursion boat gambling board; imposing penalties; appropriating money; amending Minnesota Statutes 1990, section 299L.02, by adding a subdivision; proposing coding for new law as Minnesota Statutes, chapter 349C.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Pelowski, Reding, Kelso, Ozment and O'Connor introduced:

H. F. No. 2942, A bill for an act relating to the one call excavation notice system; authorizing land surveyors to receive location information related to underground facilities; amending Minnesota Stat-

utes 1990, section 216D.01, subdivision 8, and by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 216D.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Clark, Begich, Rodosovich and Greenfield introduced:

H. F. No. 2943, A bill for an act relating to occupational safety and health; changing certain workplace accident and injury program requirements; modifying an exemption from sales taxation; amending Minnesota Statutes 1990, sections 182.653, subdivision 8; and 297A.25, subdivision 3.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Tompkins, Hufnagle, Newinski, Rodosovich and Ogren introduced:

H. F. No. 2944, A resolution memorializing the television networks to actively reduce the amount of violence-laden, sexually explicit material on television programs and to produce television material that promotes wholesome family values and helps to strengthen the family.

The bill was read for the first time and referred to the Committee on Commerce.

Smith introduced:

H. F. No. 2945, A bill for an act relating to waters; control and eradication of Eurasian water milfoil; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 84.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Kalis, Hugoson and Bertram introduced:

H. F. No. 2946, A bill for an act relating to agriculture; changing requirements for the payment of certain pesticide registration and agricultural chemical response and reimbursement fees; amending Minnesota Statutes 1990, section 18B.26, subdivision 3; Minnesota Statutes 1991 Supplement, section 18E.03, subdivision 5.

The bill was read for the first time and referred to the Committee on Agriculture.

Sviggum introduced:

H. F. No. 2947, A bill for an act relating to capital improvements; changing recipient and use of previous appropriation; amending Laws 1988, chapter 703, article 2, section 2, subdivision 2.

The bill was read for the first time and referred to the Committee on Appropriations.

McGuire, Valento, Pellow and Mariani introduced:

H. F. No. 2948, A bill for an act relating to Ramsey county; adding routes to the trunk highway system; providing for the transfer of jurisdiction over highways between the commissioner of transportation and Ramsey county, and between Ramsey county and municipalities in Ramsey county; providing for transfers of funds; requiring a surface water management study; amending Minnesota Statutes 1990, section 383A.16, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 161; repealing Minnesota Statutes 1990, sections 161.122; and 383A.16, subdivision 5.

The bill was read for the first time and referred to the Committee on Transportation.

Seaberg, Morrison, Mariani, Kelso and Tompkins introduced:

H. F. No. 2949, A bill for an act proposing an amendment to the Minnesota Constitution, article XIV; dedicating and allocating motor vehicle excise tax proceeds to highway and transit purposes; creating Minnesota mobility trust fund and surface transportation fund; increasing gasoline tax; making technical changes; amending Minnesota Statutes 1990, sections 174.32; and 296.02, subdivision 1b; Minnesota Statutes 1991 Supplement, section 16A.711, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 174; and 297B; repealing Minnesota Statutes 1991 Supplement, sections 161.041; and 297B.09.

The bill was read for the first time and referred to the Committee on Transportation.

Dawkins introduced:

H. F. No. 2950, A bill for an act relating to commerce; regulating the real estate, education, research, and recovery fund; amending



Minnesota Statutes 1990, section 82.34, subdivisions 3, 4, 7, 9, 11, 13, and 14; repealing Minnesota Statutes 1990, section 82.34, subdivision 20.

The bill was read for the first time and referred to the Committee on Commerce.

Marsh, Gruenes, Omann, Bauerly and Bertram introduced:

H. F. No. 2951, A bill for an act relating to capital improvements; authorizing bonds and appropriating money for land acquisition and structure demolition at St. Cloud state university.

The bill was read for the first time and referred to the Committee on Appropriations.

Marsh, Gruenes, Omann, Bauerly and Bertram introduced:

H. F. No. 2952, A bill for an act relating to state lands; authorizing a conveyance to the city of St. Cloud of certain land owned by the state as a part of St. Cloud State University.

The bill was read for the first time and referred to the Committee on Education.

Rodosovich, Cooper, Jaros and Sviggum introduced:

H. F. No. 2953, A bill for an act relating to human services; establishing a comprehensive medical rehabilitation services program; proposing coding for new law as Minnesota Statutes, chapter 256J.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Lasley introduced:

H. F. No. 2954, A bill for an act relating to traffic regulations; requiring safety devices on motor vehicles to detect objects immediately behind the vehicle; authorizing rulemaking; amending Minnesota Statutes 1990, section 169.70.

The bill was read for the first time and referred to the Committee on Transportation.

Dauner; Nelson, S.; Steensma; Bodahl and Tunheim introduced:

H. F. No. 2955, A bill for an act relating to state government; reorganizing, consolidating, and restructuring state agencies and departments; creating the department of environmental protection and conservation, the board of environmental review, and the office of assistance and public advocacy; transferring all powers and duties of the pollution control agency, the department of natural resources, the environmental quality board, the board of water and soil resources, the office of waste management, the harmful substances compensation board, the petroleum tank release compensation board, and the agricultural chemical response compensation board; transferring certain powers and duties of the departments of agriculture, health, public safety, trade and economic development, and transportation; authorizing rulemaking; amending Minnesota Statutes 1991 Supplement, section 15A.081, subdivision 1; proposing coding for new law as Minnesota Statutes, chapters 100A; and 100B.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Krinkie, Davids and Pellow introduced:

H. F. No. 2956, A bill for an act relating to social and charitable organizations; prohibiting solicitors by organizations whose officer's or director's annual compensation exceeds the governor's; amending Minnesota Statutes 1990, section 309.52, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 309.

The bill was read for the first time and referred to the Committee on Commerce.

Tunheim introduced:

H. F. No. 2957, A bill for an act relating to education; expanding the possibilities for qualifying as combining districts; amending Minnesota Statutes 1990, section 122.241, subdivision 3.

The bill was read for the first time and referred to the Committee on Education.

Sparby introduced:

H. F. No. 2958, A bill for an act relating to the environment; modifying requirements relating to the use of refuse derived fuel; amending Minnesota Statutes 1991 Supplement, section 116.90.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Ozment introduced:

H. F. No. 2959, A bill for an act relating to the environment; clarifying the circumstances under which the commissioner of agriculture may order a corrective action; amending Minnesota Statutes 1990, section 18D.105, subdivision 1.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Ogren and Swenson introduced:

H. F. No. 2960, A bill for an act relating to taxation; providing sales tax exemptions for certain sales of horses and charges for breeding horses; amending Minnesota Statutes 1990, section 297A.25, by adding a subdivision; and Minnesota Statutes 1991 Supplement, section 297A.01, subdivision 3.

The bill was read for the first time and referred to the Committee on Taxes.

Bauerly, Bertram and McEachern introduced:

H. F. No. 2961, A bill for an act relating to capital improvements; authorizing bonds and appropriating money for capital planning for the St. Cloud state university library.

The bill was read for the first time and referred to the Committee on Appropriations.

Cooper introduced:

H. F. No. 2962, A bill for an act relating to health; allowing nursing homes to establish review organizations; including quality assurance under medical assistance and Medicare as an activity of a review organization; allowing nursing homes to limit access to certain physicians and pharmacists on the basis of quality assurance activities; amending Minnesota Statutes 1991 Supplement, sections 145.61, subdivisions 4a and 5; and 256B.48, subdivision 1.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Runbeck introduced:

H. F. No. 2963, A bill for an act relating to family law; child custody; creating a study commission to study and recommend changes in child custody laws, rules, practice, and procedures.

The bill was read for the first time and referred to the Committee on Judiciary.

Farrell; Hanson; Johnson, R.; Erhardt and Peterson introduced:

H. F. No. 2964, A bill for an act relating to human rights; declaring a state policy of zero tolerance of violence; encouraging state agencies to act to implement the policy; proposing coding for new law in Minnesota Statutes, chapters 1 and 15.

The bill was read for the first time and referred to the Committee on Judiciary.

### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 1652, A resolution memorializing the Postmaster General to issue a postal stamp in commemoration of Wanda Gag, American Author and Illustrator.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 2002, A bill for an act relating to community service; directing the Minnesota office on volunteer services to prepare a federal grant proposal.

PATRICK E. FLAHAVEN, Secretary of the Senate

## CONCURRENCE AND REPASSAGE

Orenstein moved that the House concur in the Senate amendments to H. F. No. 2002 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2002, A bill for an act relating to community service; directing the Minnesota office on volunteer services to prepare a federal grant proposal.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Kelso	Olsen, S.	Skoglund
Anderson, I.	Frerichs	Kinkel	Olson, E.	Smith
Anderson, R.	Garcia	Knickerbocker	Olson, K.	Solberg
Anderson, R. H.	Girard	Koppendrayner	Omann	Sparby
Battaglia	Goodno	Krambeer	Onnen	Stanius
Bauerly	Greenfield	Krinkie	Orenstein	Steensma
Beard	Gruenes	Krueger	Orfield	Sviggum
Begich	Gutknecht	Lasley	Osthoff	Swenson
Bertram	Hanson	Leppik	Ostrom	Thompson
Bettermann	Hartle	Lieder	Ozment	Tompkins
Bishop	Hasskamp	Limmer	Pauly	Trimble
Blatz	Haukoos	Lourey	Pellow	Tunheim
Bodahl	Hausman	Lynch	Pelowski	Uphus
Boo	Heir	Macklin	Peterson	Valento
Brown	Henry	Mariani	Pugh	Vanasek
Carlson	Hufnagle	Marsh	Reding	Vellenga
Carruthers	Hugoson	McEachern	Rest	Wagenius
Clark	Jacobs	McGuire	Rice	Waltman
Cooper	Janezich	McPherson	Rodosovich	Weaver
Dauner	Jaros	Milbert	Rukavina	Wejzman
Davids	Jefferson	Morrison	Runbeck	Welker
Dawkins	Jennings	Munger	Sarna	Welle
Dempsey	Johnson, A.	Murphy	Schafer	Wenzel
Dille	Johnson, R.	Nelson, K.	Schreiber	Winter
Dorn	Johnson, V.	Nelson, S.	Seaberg	Spk. Long
Erhardt	Kahn	Newinski	Segal	
Farrell	Kalis	O'Connor	Simoneau	

The bill was repassed, as amended by the Senate, and its title agreed to.

Madam Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 2210, 1633, 1669, 1689 and 1854.

PATRICK E. FLAHAVEN, Secretary of the Senate

**FIRST READING OF SENATE BILLS**

S. F. No. 2210, A bill for an act relating to Ramsey county; providing for the certification of eligibles for county positions; amending Minnesota Statutes 1990, section 383A.291, by adding a subdivision.

The bill was read for the first time.

Orenstein moved that S. F. No. 2210 and H. F. No. 2319, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1633, A bill for an act relating to the city of Bloomington; providing for the membership of the port authority; amending Minnesota Statutes 1990, section 469.071, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

S. F. No. 1669, A bill for an act relating to watercraft; allowing towing of persons with personal watercraft equipped with rearview mirrors; amending Minnesota Statutes 1991 Supplement, section 86B.313, subdivision 1.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

S. F. No. 1689, A bill for an act relating to insurance; property and casualty; regulating certain terminations and modifications or changes to certain agent agreements; modifying the definition of loss ratio experience; modifying membership in the board of review; amending Minnesota Statutes 1990, sections 60A.172; and 60A.177, subdivision 3.

The bill was read for the first time.

Winter moved that S. F. No. 1689 and H. F. No. 1901, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1854, A bill for an act relating to appropriations; clarifying the purposes for which a certain appropriation may be spent at Worthington community college.

The bill was read for the first time and referred to the Committee on Appropriations.

### CONSENT CALENDAR

H. F. No. 1416, A bill for an act relating to commerce; modifying the regulation of interest rate advertising; amending Minnesota Statutes 1990, section 45.025, subdivisions 1 and 2; repealing Minnesota Statutes 1990, section 45.025, subdivision 7.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Kelso	Olsen, S.	Smith
Anderson, I.	Frerichs	Kinkel	Olson, E.	Solberg
Anderson, R.	Garcia	Knickerbocker	Olson, K.	Sparby
Anderson, R. H.	Girard	Koppendraye	Omann	Stanius
Battaglia	Goodno	Krambeer	Onnen	Steensma
Bauerly	Greenfield	Krinkie	Orenstein	Sviggum
Beard	Gruenes	Krueger	Orfield	Swenson
Begich	Gutknecht	Lasley	Osthoff	Thompson
Bertram	Hanson	Leppik	Ostrom	Tompkins
Bettermann	Hartle	Lieder	Ozment	Trimble
Bishop	Hasskamp	Limmer	Pauly	Tunheim
Blatz	Haukoos	Lourey	Pellow	Uphus
Bodahl	Hausman	Lynch	Pelowski	Valento
Boo	Heir	Macklin	Peterson	Vanasek
Brown	Henry	Mariani	Pugh	Vellenga
Carlson	Hufnagle	Marsh	Reding	Wagenius
Carruthers	Hugoson	McEachern	Rest	Waltman
Clark	Jacobs	McGuire	Rice	Weaver
Cooper	Janezich	McPherson	Rodosovich	Wejzman
Dauner	Jaros	Milbert	Rukavina	Welker
Dauids	Jefferson	Morrison	Runbeck	Welle
Dawkins	Jennings	Munger	Sarna	Wenzel
Dempsey	Johnson, A.	Murphy	Schafer	Winter
Dille	Johnson, R.	Nelson, K.	Schreiber	Spk. Long
Dorn	Johnson, V.	Nelson, S.	Seaberg	
Erhardt	Kahn	Newinski	Segal	
Farrell	Kalis	O'Connor	Skoglund	

The bill was passed and its title agreed to.

H. F. No. 1744, A bill for an act relating to retirement; public employees retirement association; providing entitlement for optional annuities to certain surviving spouses of certain deceased disabilitants; mandating a study of coordinated program survivorship benefit gaps.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frerichs	Kelso	Olsen, S.	Simoneau
Anderson, I.	Garcia	Kinkel	Olsen, E.	Skoglund
Anderson, R.	Girard	Knickerbocker	Olson, K.	Smith
Anderson, R. H.	Goodno	Koppendrayner	Omann	Solberg
Battaglia	Greenfield	Krambeer	Onnen	Sparby
Beard	Gruenes	Krinkie	Orenstein	Stanius
Begich	Gutknecht	Lasley	Orfield	Steenasma
Bettermann	Hanson	Leppik	Osthoff	Sviggum
Bishop	Hartle	Lieder	Ostrom	Swenson
Blatz	Hasskamp	Limmer	Ozment	Thompson
Bodahl	Haukoos	Lourey	Pauly	Tompkins
Boo	Hausman	Lynch	Pellow	Trimble
Brown	Heir	Macklin	Pelowski	Tunheim
Carlson	Henry	Mariani	Peterson	Uphus
Carruthers	Hufnagle	Marsh	Pugh	Valento
Clark	Hugoson	McEachern	Reding	Vanasek
Cooper	Jacobs	McGuire	Rest	Vellenga
Dauner	Janezich	McPherson	Rice	Wagenius
Davids	Jaros	Milbert	Rodovich	Waltman
Dawkins	Jefferson	Morrison	Rukavina	Weaver
Dempsey	Jennings	Munger	Runbeck	Wejcman
Dille	Johnson, A.	Murphy	Sarna	Welker
Dorn	Johnson, R.	Nelson, K.	Schafer	Welle
Erhardt	Johnson, V.	Nelson, S.	Schreiber	Wenzel
Farrell	Kahn	Newinski	Seaberg	Winter
Frederick	Kalis	O'Connor	Segal	Spk. Long

The bill was passed and its title agreed to.

H. F. No. 1761, A bill for an act relating to alcoholic beverages; municipal liquor stores; specifying the conditions under which a municipality is required to hold a public hearing on the question of continued operation of a municipal liquor store; amending Minnesota Statutes 1990, section 340A.602.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Bauerly	Blatz	Carruthers	Dawkins
Anderson, I.	Begich	Bodahl	Clark	Dempsey
Anderson, R.	Bertram	Boo	Cooper	Dille
Anderson, R. H.	Bettermann	Brown	Dauner	Dorn
Battaglia	Bishop	Carlson	Davids	Erhardt



Farrell	Jefferson	Mariani	Ozment	Stanius
Frederick	Jennings	Marsh	Pauly	Steensma
Frerichs	Johnson, A.	McEachern	Pellow	Sviggum
Garcia	Johnson, R.	McGuire	Pelowski	Swenson
Girard	Johnson, V.	McPherson	Peterson	Thompson
Goodno	Kahn	Milbert	Pugh	Tompkins
Greenfield	Kalis	Morrison	Reding	Trimble
Gruenes	Kelso	Murphy	Rest	Tunheim
Gutknecht	Kinkel	Nelson, K.	Rodosovich	Uphus
Hanson	Knickerbocker	Nelson, S.	Rukavina	Valento
Hartle	Koppendrayer	Newinski	Runbeck	Vanasek
Hasskamp	Krambeer	O'Connor	Sarna	Vellenga
Haukoos	Krinkie	Olsen, S.	Schafer	Wagenius
Hausman	Krueger	Olson, E.	Schreiber	Waltman
Heir	Lasley	Olson, K.	Seaberg	Weaver
Henry	Leppik	Omann	Segal	Wejcmann
Hufnagle	Lieder	Onnen	Simoneau	Welker
Hugoson	Limmer	Orenstein	Skoglund	Welle
Jacobs	Lourey	Orfield	Smith	Wenzel
Janezich	Lynch	Osthoff	Solberg	Winter
Jaros	Macklin	Ostrom	Sparby	Spk. Long

The bill was passed and its title agreed to.

H. F. No. 1818, A bill for an act relating to local government; authorizing mail balloting for certain municipalities; amending Minnesota Statutes 1990, sections 204B.45, subdivisions 1 and 2; and 365.51, subdivision 1.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dille	Jaros	Marsh	Pellow
Anderson, I.	Dorn	Jefferson	McEachern	Pelowski
Anderson, R.	Erhardt	Jennings	McGuire	Peterson
Anderson, R. H.	Farrell	Johnson, A.	McPherson	Pugh
Battaglia	Frederick	Johnson, R.	Milbert	Reding
Bauerly	Frerichs	Johnson, V.	Morrison	Rest
Beard	Garcia	Kahn	Munger	Rice
Begich	Girard	Kalis	Murphy	Rodosovich
Bertram	Goodno	Kelso	Nelson, K.	Rukavina
Bettermann	Greenfield	Kinkel	Nelson, S.	Runbeck
Bishop	Gruenes	Knickerbocker	Newinski	Sarna
Blatz	Gutknecht	Koppendrayer	O'Connor	Schafer
Bodahl	Hanson	Krambeer	Olsen, S.	Schreiber
Boo	Hartle	Krinkie	Olson, E.	Seaberg
Brown	Hasskamp	Krueger	Olson, K.	Segal
Carlson	Haukoos	Lasley	Omann	Simoneau
Carruthers	Hausman	Leppik	Onnen	Skoglund
Clark	Heir	Lieder	Orenstein	Smith
Cooper	Henry	Limmer	Orfield	Solberg
Dauner	Hufnagle	Lourey	Osthoff	Sparby
Davids	Hugoson	Lynch	Ostrom	Stanius
Dawkins	Jacobs	Macklin	Ozment	Steensma
Dempsey	Janezich	Mariani	Pauly	Sviggum

Swenson	Tunheim	Vellenga	Wejcman	Winter
Thompson	Uphus	Wagenius	Welker	Spk. Long
Tompkins	Valento	Waltman	Welle	
Trimble	Vanasek	Weaver	Wenzel	

The bill was passed and its title agreed to.

H. F. No. 1969 was reported to the House.

Blatz moved that H. F. No. 1969 be placed at the beginning of General Orders. The motion prevailed.

H. F. No. 2377, A bill for an act relating to education; allowing a temporary school board structure for districts operating a cooperative secondary facility; amending Minnesota Statutes 1990, section 124.494, by adding a subdivision; Minnesota Statutes 1991 Supplement, section 122.23, subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Kelso	Olson, E.	Smith
Anderson, I.	Frerichs	Kinkel	Olson, K.	Solberg
Anderson, R.	Garcia	Knickerbocker	Omann	Sparby
Anderson, R. H.	Girard	Koppendrayer	Onnen	Stanis
Battaglia	Goodno	Krambeer	Orenstein	Steensma
Bauerly	Greenfield	Krinkie	Orfield	Sviggum
Beard	Gruenes	Krueger	Osthoff	Swenson
Begich	Gutknecht	Lasley	Ostrom	Thompson
Bertram	Hanson	Leppik	Ozment	Tompkins
Bettermann	Hartle	Lieder	Pauly	Trimble
Bishop	Hasskamp	Limmer	Pellow	Tunheim
Blatz	Haukoos	Lourey	Pelowski	Uphus
Bodahl	Hausman	Lynch	Peterson	Valento
Boo	Heir	Macklin	Pugh	Vanasek
Brown	Henry	Mariani	Reding	Vellenga
Carlson	Hufnagle	Marsh	Rest	Wagenius
Carruthers	Hugoson	McEachern	Rice	Waltman
Clark	Jacobs	McGuire	Rodosovich	Weaver
Cooper	Janezich	Milbert	Rukavina	Wejcman
Dauner	Jaros	Morrison	Runbeck	Welker
Dauids	Jefferson	Munger	Sarna	Welle
Dawkins	Jennings	Murphy	Schafer	Wenzel
Dempsey	Johnson, A.	Nelson, K.	Schreiber	Winter
Dille	Johnson, R.	Nelson, S.	Seaberg	Spk. Long
Dorn	Johnson, V.	Newinski	Segal	
Erhardt	Kahn	O'Connor	Simoneau	
Farrell	Kalis	Olsen, S.	Skoglund	

The bill was passed and its title agreed to.

H. F. No. 2397, A bill for an act relating to pipelines; regulating liquefied natural gas facilities; amending Minnesota Statutes 1990, sections 299J.02, subdivisions 12, 13, and by adding subdivisions; 299J.04; 299J.07, subdivision 1; 299J.10; 299J.12, subdivisions 2 and 3; and 299J.15.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Kelso	Olsen, S.	Smith
Anderson, I.	Frerichs	Kinkel	Olson, E.	Solberg
Anderson, R.	Garcia	Knickerbocker	Olson, K.	Sparby
Anderson, R. H.	Girard	Koppendrayner	Omann	Stanius
Battaglia	Goodno	Krambeer	Onnen	Steensma
Bauerly	Greenfield	Krinkie	Orenstein	Sviggum
Beard	Gruenes	Krueger	Orfield	Swenson
Begich	Gutknecht	Lasley	Osthoff	Thompson
Bertram	Hanson	Leppik	Ostrom	Tompkins
Bettermann	Hartle	Lieder	Pauly	Trimble
Bishop	Hasskamp	Limmer	Pellow	Tunheim
Blatz	Haukoos	Lourey	Pelowski	Uphus
Bodahl	Hausman	Lynch	Peterson	Valento
Boo	Heir	Macklin	Pugh	Vanasek
Brown	Henry	Mariani	Reding	Vellenga
Carlson	Hufnagle	Marsh	Rest	Wagenius
Carruthers	Hugoson	McEachern	Rice	Waltman
Clark	Jacobs	McGuire	Rodosovich	Weaver
Cooper	Janezich	McPherson	Rukavina	Wejzman
Dauner	Jaros	Milbert	Runbeck	Welker
Davids	Jefferson	Morrison	Sarna	Welle
Dawkins	Jennings	Munger	Schafer	Wenzel
Dempsey	Johnson, A.	Murphy	Schreiber	Winter
Dille	Johnson, R.	Nelson, K.	Seaberg	Spk. Long
Dorn	Johnson, V.	Nelson, S.	Segal	
Erhardt	Kahn	Newinski	Simoneau	
Farrell	Kalis	O'Connor	Skoglund	

The bill was passed and its title agreed to.

H. F. No. 2465, A bill for an act relating to veterans; clarifying procedures for searches of veterans' home residents' rooms or property; amending Minnesota Statutes 1990, sections 198.33, subdivision 1; and 365A.06, subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Kelso	Olsen, S.	Skoglund
Anderson, I.	Frerichs	Kinkel	Olson, E.	Smith
Anderson, R.	Garcia	Knickerbocker	Olson, K.	Solberg
Anderson, R. H.	Girard	Koppendraye	Omamn	Sparby
Battaglia	Goodno	Krambeer	Onnen	Stanius
Bauerly	Greenfield	Krinkie	Orenstein	Steenasma
Beard	Gruenes	Krueger	Orfield	Sviggum
Begich	Gutknecht	Lasley	Osthoff	Swenson
Bertram	Hanson	Leppik	Ostrom	Thompson
Bettermann	Hartle	Lieder	Ozment	Tompkins
Bishop	Hasskamp	Limmer	Pauly	Trimble
Blatz	Haukoos	Lourey	Pellow	Tunheim
Bodahl	Hausman	Lynch	Pelowski	Uphus
Boo	Heir	Macklin	Peterson	Valento
Brown	Henry	Mariani	Pugh	Vanasek
Carlson	Hufnagle	Marsh	Reding	Vellenga
Carruthers	Hugoson	McEachern	Rest	Wagenius
Clark	Jacobs	McGuire	Rice	Waltman
Cooper	Janezich	McPherson	Rodosovich	Weaver
Dauner	Jaros	Milbert	Rukavina	Wejcman
Davids	Jefferson	Morrison	Runbeck	Welker
Dawkins	Jennings	Munger	Sarna	Welle
Dempsey	Johnson, A.	Murphy	Schafer	Wenzel
Dille	Johnson, R.	Nelson, K.	Schreiber	Winter
Dorn	Johnson, V.	Nelson, S.	Seaberg	Spk. Long
Erhardt	Kahn	Newinski	Segal	
Farrell	Kalis	O'Connor	Simoneau	

The bill was passed and its title agreed to.

H. F. No. 2551, A bill for an act relating to corporations; regulating registrations of domestic corporations with the secretary of state; amending Minnesota Statutes 1990, section 302A.821, as amended.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Carlson	Girard	Janezich	Krueger
Anderson, I.	Carruthers	Goodno	Jaros	Lasley
Anderson, R.	Clark	Greenfield	Jefferson	Leppik
Anderson, R. H.	Cooper	Gruenes	Jennings	Lieder
Battaglia	Dauner	Gutknecht	Johnson, A.	Limmer
Bauerly	Davids	Hanson	Johnson, R.	Lourey
Beard	Dawkins	Hartle	Johnson, V.	Lynch
Begich	Dempsey	Hasskamp	Kahn	Macklin
Bertram	Dille	Haukoos	Kalis	Mariani
Bettermann	Dorn	Hausman	Kelso	Marsh
Bishop	Erhardt	Heir	Kinkel	McEachern
Blatz	Farrell	Henry	Knickerbocker	McGuire
Bodahl	Frederick	Hufnagle	Koppendraye	McPherson
Boo	Frerichs	Hugoson	Krambeer	Milbert
Brown	Garcia	Jacobs	Krinkie	Morrison

Munger	Orfield	Rodosovich	Sparby	Vellenga
Murphy	Osthoff	Rukavina	Stanius	Wagenius
Nelson, K.	Ostrom	Runbeck	Steensma	Waltman
Nelson, S.	Ozment	Sarna	Sviggum	Weaver
Newinski	Pauly	Schafer	Swenson	Wejman
O'Connor	Pellow	Schreiber	Thompson	Welker
Olsen, S.	Pelowski	Seaberg	Tompkins	Welle
Olson, E.	Peterson	Segal	Trimble	Wenzel
Olson, K.	Pugh	Simoneau	Tunheim	Winter
Omann	Reding	Skoglund	Uphus	Spk. Long
Onnen	Rest	Smith	Valento	
Orenstein	Rice	Solberg	Vanasek	

The bill was passed and its title agreed to.

H. F. No. 2572, A bill for an act relating to probate; altering the definition of successors; amending Minnesota Statutes 1990, sections 353A.02, subdivision 21; 524.1-201; 524.3-303; and 524.3-308.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Kinkel	Olson, E.	Smith
Anderson, I.	Frerichs	Knickerbocker	Olson, K.	Solberg
Anderson, R.	Garcia	Koppendrayer	Omann	Sparby
Anderson, R. H.	Girard	Krambeer	Onnen	Stanius
Battaglia	Goodno	Krinkie	Orenstein	Steensma
Bauerly	Greenfield	Krueger	Orfield	Sviggum
Beard	Gruenes	Lasley	Osthoff	Swenson
Begich	Hanson	Leppik	Ostrom	Thompson
Bertram	Hartle	Lieder	Ozment	Tompkins
Bettermann	Hasskamp	Limmer	Pauly	Trimble
Bishop	Haukoos	Lourey	Pellow	Tunheim
Blatz	Hausman	Lynch	Pelowski	Uphus
Bodahl	Heir	Macklin	Peterson	Valento
Boo	Henry	Mariani	Pugh	Vanasek
Brown	Hufnagle	Marsh	Reding	Vellenga
Carlson	Hugoson	McEachern	Rest	Wagenius
Carruthers	Jacobs	McGuire	Rice	Waltman
Clark	Janezich	McPherson	Rodosovich	Weaver
Cooper	Jaros	Milbert	Rukavina	Wejman
Dauner	Jefferson	Morrison	Runbeck	Welker
Davids	Jennings	Munger	Sarna	Welle
Dawkins	Johnson, A.	Murphy	Schafer	Wenzel
Dempsey	Johnson, R.	Nelson, K.	Schreiber	Winter
Dille	Johnson, V.	Nelson, S.	Seaberg	Spk. Long
Dorn	Kahn	Newinski	Segal	
Erhardt	Kalis	O'Connor	Simoneau	
Farrell	Kelso	Olsen, S.	Skoglund	

Those who voted in the negative were:

Gutknecht

The bill was passed and its title agreed to.

### GENERAL ORDERS

Welle moved that the bills on General Orders for today be continued. The motion prevailed.

### MOTIONS AND RESOLUTIONS

Anderson, I., moved that the name of Carruthers be added as chief author on H. F. No. 1531. The motion prevailed.

Runbeck moved that her name be stricken as an author on H. F. No. 1629. The motion prevailed.

Newinski moved that his name be stricken as an author on H. F. No. 1839. The motion prevailed.

Farrell moved that the name of Bauerly be added as an author on H. F. No. 2217. The motion prevailed.

Dawkins moved that the name of Trimble be added as an author on H. F. No. 2643. The motion prevailed.

Carruthers moved that the name of Bauerly be shown as chief author on H. F. No. 2645. The motion prevailed.

Pugh moved that the name of Bertram be added as an author on H. F. No. 2649. The motion prevailed.

Carruthers moved that the name of Bauerly be added as chief author on H. F. No. 2653. The motion prevailed.

Dawkins moved that the names of Lourey, Mariani, Milbert and Clark be added as authors on H. F. No. 2708. The motion prevailed.

Sviggum moved that the name of Peterson be added as an author on H. F. No. 2748. The motion prevailed.

Winter moved that the names of Anderson, R. H.; Kalis; Peterson and Nelson, S., be added as authors on H. F. No. 2785. The motion prevailed.

Sparby moved that the name of Bettermann be added as an author on H. F. No. 2855. The motion prevailed.

Trimble moved that H. F. No. 2586, now on Technical General Orders, be re-referred to the Committee on Governmental Operations. The motion prevailed.

Trimble moved that H. F. No. 1453, now on Technical General Orders, be re-referred to the Committee on Appropriations. The motion prevailed.

McGuire moved that H. F. No. 2437, now on Technical General Orders, be re-referred to the Committee on Appropriations. The motion prevailed.

Dawkins moved that H. F. No. 2643, now on Technical General Orders, be re-referred to the Committee on Appropriations. The motion prevailed.

Reding moved that H. F. No. 2848 be recalled from the Committee on Labor-Management Relations and be re-referred to the Committee on Governmental Operations. The motion prevailed.

Runbeck moved that H. F. No. 2864 be recalled from the Committee on Local Government and Metropolitan Affairs and be re-referred to the Committee on Taxes. The motion prevailed.

Gutknecht moved that S. F. No. 1716, now on General Orders, be re-referred to the Committee on General Legislation, Veterans Affairs and Gaming.

A roll call was requested and properly seconded.

#### POINT OF ORDER

Sviggum raised a point of order pursuant to section 125 of "Mason's Manual of Legislative Procedure" relating to personal disputes between members. The Speaker ruled the point of order not well taken.

The question recurred on the Gutknecht motion and the roll was called. There were 76 yeas and 49 nays as follows:

Those who voted in the affirmative were:

Abrams	Anderson, R. H.	Begich	Blatz	Boo
Anderson, R.	Battaglia	Bettermann	Bodahl	Dauner

Davids	Henry	Lasley	Osthoff	Sviggum
Dempsey	Hufnagle	Leppik	Ostrom	Thompson
Dille	Hugoson	Limmer	Pauly	Tompkins
Erhardt	Jacobs	Lynch	Pellow	Tunheim
Frederick	Janezich	Macklin	Pelowski	Valento
Frerichs	Jaros	Marsh	Rest	Waltman
Garcia	Jennings	McPherson	Rice	Weaver
Girard	Johnson, R.	Morrison	Runbeck	Wenzel
Goodno	Johnson, V.	Murphy	Schafer	Winter
Gruenes	Kinkel	Nelson, S.	Seaberg	Spk. Long
Gutknecht	Koppendrayer	Newinski	Smith	
Hasskamp	Krambeer	Olsen, S.	Sparby	
Haukoos	Krinkie	Olson, K.	Stanius	
Heir	Krueger	Omann	Steensma	

Those who voted in the negative were:

Anderson, I.	Dawkins	Kelso	Olson, E.	Simoneau
Bauerly	Dorn	Lieder	Onnen	Skoglund
Beard	Farrell	Lourey	Orenstein	Solberg
Bertram	Greenfield	Mariani	Orfield	Trimble
Bishop	Hanson	McEachern	Peterson	Vanasek
Brown	Hausman	McGuire	Pugh	Vellenga
Carlson	Jefferson	Milbert	Rukavina	Wagenius
Carruthers	Johnson, A.	Munger	Sarna	Wejzman
Clark	Kahn	Nelson, K.	Schreiber	Welle
Cooper	Kalis	O'Connor	Segal	

The motion prevailed.

Segal moved that H. F. No. 2878 be recalled from the Committee on Economic Development and be re-referred to the Committee on Environment and Natural Resources. The motion prevailed.

#### ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 155:

Bishop, Kalis and Wagenius.

#### ADJOURNMENT

Welle moved that when the House adjourns today it adjourn until 12:00 noon, Wednesday, March 18, 1992. The motion prevailed.

Welle moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 12:00 noon, Wednesday, March 18, 1992.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



## STATE OF MINNESOTA

## SEVENTY-SEVENTH SESSION—1992

## SEVENTY-NINTH DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, MARCH 18, 1992

The House of Representatives convened at 12:00 noon and was called to order by Dee Long, Speaker of the House.

Prayer was offered by the Reverend Molly M. Cox, Olivet Congregational United Church of Christ and the Minnesota Council of Churches, St. Paul, Minnesota.

The roll was called and the following members were present:

Abrams	Frederick	Kelso	Ogren	Simoneau
Anderson, I.	Frerichs	Kinkel	Olsen, S.	Skoglund
Anderson, R.	Garcia	Knickerbocker	Olson, E.	Smith
Anderson, R. H.	Girard	Koppendrayner	Olson, K.	Solberg
Battaglia	Goodno	Krambeer	Omann	Sparby
Bauerly	Greenfield	Krinkie	Onnen	Stanius
Beard	Gruenes	Krueger	Orenstein	Steensma
Begich	Gutknecht	Lasley	Orfield	Sviggum
Bertram	Hanson	Leppik	Osthoff	Swenson
Bettermann	Hartle	Lieder	Ostrom	Thompson
Bishop	Hasskamp	Limmer	Ozment	Tompkins
Blatz	Haukoos	Lourey	Pauly	Trimble
Bodahl	Hausman	Lynch	Pellow	Tunheim
Boo	Heir	Macklin	Pelowski	Uphus
Brown	Henry	Mariani	Peterson	Valento
Carlson	Hufnagle	Marsh	Pugh	Vanasek
Carruthers	Hugoson	McEachern	Reding	Vellenga
Clark	Jacobs	McGuire	Rest	Wagenius
Cooper	Janezich	McPherson	Rice	Waltman
Dauner	Jaros	Milbert	Rodosovich	Weaver
Davids	Jefferson	Morrison	Rukavina	Wejcmán
Dawkins	Jennings	Munger	Runbeck	Welker
Dempsey	Johnson, A.	Murphy	Sarna	Welle
Dille	Johnson, R.	Nelson, K.	Schafer	Wenzel
Dorn	Johnson, V.	Nelson, S.	Schreiber	Winter
Erhardt	Kahn	Newinski	Seaberg	Spk. Long
Farrell	Kalis	O'Connor	Segal	

A quorum was present.

The Chief Clerk proceeded to read the Journal of the preceding day. Davids moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

S. F. No. 1689 and H. F. No. 1901, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Winter moved that the rules be so far suspended that S. F. No. 1689 be substituted for H. F. No. 1901 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2210 and H. F. No. 2319, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Orenstein moved that the rules be so far suspended that S. F. No. 2210 be substituted for H. F. No. 2319 and that the House File be indefinitely postponed. The motion prevailed.

### PETITIONS AND COMMUNICATIONS

The following communication was received:

STATE OF MINNESOTA  
OFFICE OF THE SECRETARY OF STATE  
ST. PAUL 55155

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

I have the honor to inform you that the following enrolled Act of the 1992 Session of the State Legislature has been received from the Office of the Governor and is deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Time and Date Approved 1992</i>	<i>Date Filed 1992</i>
1623		365	8:47 a.m. March 12	March 12

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

## REPORTS OF STANDING COMMITTEES

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 699, A bill for an act relating to retirement; judges retirement fund; eliminating the offset for a portion of Social Security benefits; amending Minnesota Statutes 1990, sections 355.391, subdivision 1; and 490.123, subdivision 1; repealing Minnesota Statutes 1990, section 490.129.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [355.393] [SECOND SOCIAL SECURITY COVERAGE ELECTION.]

A member of the basic program of the judges retirement plan governed by sections 490.121 to 490.133 is entitled to elect social security coverage in a second social security referendum held for that purpose by the department of employee relations. The social security coverage is effective on the first of the month next following the referendum.

Sec. 2. Minnesota Statutes 1991 Supplement, section 490.123, subdivision 1a, is amended to read:

Subd. 1a. [MEMBER CONTRIBUTION RATES.] (a) A judge who is covered by the federal old age, survivors, disability, and health insurance program shall contribute to the fund from each salary payment a sum equal to ~~four~~ 6.27 percent of salary.

(b) A judge not so covered shall contribute to the fund from each salary payment a sum equal to 8.15 percent of salary.

(c) The contribution under this subdivision is payable by salary deduction.

Sec. 3. [REPEALER.]

Minnesota Statutes 1990, section 490.129, is repealed.

Sec. 4. [EFFECTIVE DATE.]

Section 2 is effective on the first day of the first payroll period occurring after final enactment. Section 3 is effective on the day following final enactment and applies to judges who terminated active service on or after July 1, 1991.

Amend the title as follows:

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

Page 1, delete line 5

Page 1, line 6, delete everything before the semicolon and insert "Minnesota Statutes 1991 Supplement, section 490.123, subdivision 1a; proposing coding for new law in Minnesota Statutes, chapter 355"

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 905, A bill for an act relating to game and fish; prohibiting designation of experimental waters in specified counties; amending Minnesota Statutes 1990, section 97C.001, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, line 9, delete "[EXCEPTIONS.]" and insert "[SOUTH-EASTERN STREAMS.] (a)"

Page 1, line 11, delete "not"

Page 1, after line 12, insert:

"(b) All legal methods of taking fish are allowed in the streams referred to in paragraph (a), except that barbed hooks are prohibited.

Sec. 2. Minnesota Statutes 1990, section 97C.001, is amended by adding a subdivision to read:

Subd. 1b. [PUBLIC INPUT.] Before any additional trout waters of the state are considered for experimental regulation, the commissioner shall formulate written procedures that ensure the opportunity for public input and consideration into the decision making process.

Amend the title as follows:

Page 1, line 2, delete "prohibiting" and insert "providing for"

Page 1, line 3, after the semicolon, insert "requiring the commissioner of natural resources to establish procedures for public input;"

Page 1, line 4, delete "a" and insert "subdivisions."

Page 1, delete line 5

With the recommendation that when so amended the bill pass.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 1133, A bill for an act relating to public employment; requiring the commissioner of the bureau of mediation services to adopt a uniform baseline determination document and a uniform collective bargaining agreement settlement document and rules relating to the use of these documents; amending Minnesota Statutes 1990, section 179A.04, subdivision 3.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1991 Supplement, section 179A.04, subdivision 3, is amended to read:

Subd. 3. [OTHER DUTIES.] The commissioner shall:

(a) provide mediation services as requested by the parties until the parties reach agreement. The commissioner may continue to assist parties after they have submitted their final positions for interest arbitration;

(b) issue notices, subpoenas, and orders required by law to carry out duties under sections 179A.01 to 179A.25;

(c) certify to the board items of dispute between parties subject to action of the board under section 179A.16;

(d) assist the parties in formulating petitions, notices, and other papers required to be filed with the commissioner or the board;

(e) certify the final results of any election or other voting procedure conducted under sections 179A.01 to 179A.25;

(f) adopt rules relating to the administration of this chapter; and the conduct of hearings and elections;

(g) receive, catalogue, and file all orders and decisions of the board, all decisions of arbitration panels authorized by sections 179A.01 to 179A.25, all grievance arbitration decisions, and the commissioner's orders and decisions. All orders and decisions catalogued and filed shall be readily available to the public;

(h) adopt, subject to chapter 14, a grievance procedure to fulfill the purposes of section 179A.20, subdivision 4. The grievance procedure shall not provide for the services of the bureau of mediation services. The grievance procedure shall be available to any employee in a unit not covered by a contractual grievance procedure;

(i) conduct elections;

(j) maintain a schedule of state employee classifications or positions assigned to each unit established in section 179A.10, subdivision 2;

(k) collect such fees as are established by rule for empanelment of persons on the labor arbitrator roster maintained by the commissioner or in conjunction with fair share fee challenges;

(l) provide technical support and assistance to voluntary joint labor-management committees established for the purpose of improving relationships between exclusive representatives and employers, at the discretion of the commissioner; and

(m) adopt, subject to chapter 14, uniform baseline determination documents and uniform collective bargaining agreement settlement documents applicable to all negotiations between exclusive representatives of appropriate units of public employees and public employers other than townships, and adopt orders specifying procedures and instructions for completion of these documents. These documents shall be used by public employers defined in section 124A.22, subdivision 2a, for negotiating collective bargaining agree-

ments effective after June 30, 1993, and by all other public employers other than townships for negotiating collective bargaining agreements effective after December 31, 1993. A completed uniform collective bargaining agreement settlement document shall be presented to the public employer at the time it ratifies a collective bargaining agreement and shall thereafter be available for public inspection during normal business hours at the principal administrative offices of the public employer; and

(n) from the names provided by representative organizations, maintain a list of arbitrators to conduct teacher discharge or termination hearings according to section 125.12 or 125.17. The persons on the list shall meet at least one of the following requirements:

- (1) be a former or retired judge;
- (2) be a qualified arbitrator on the list maintained by either the bureau of mediation services or the public employment relations board according to section 179A.05, subdivision 6;
- (3) be a present, former, or retired administrative law judge; or
- (4) be a neutral individual who is learned in the law and admitted to practice in Minnesota, who is qualified by experience to conduct these hearings, and who is without bias to either party.

Each year, the Minnesota education association shall provide a list of seven names, the Minnesota federation of teachers a list of seven names, and the Minnesota school boards association a list of 14 names of persons to be on the list. The commissioner may adopt rules about maintaining and updating the list."

Amend the title as follows:

Page 1, line 6, delete "rules" and insert "orders" and delete "use" and insert "completion"

Page 1, line 7, delete "1990" and insert "1991 Supplement"

With the recommendation that when so amended the bill pass.

The report was adopted.

Vellenga from the Committee on Judiciary to which was referred:

H. F. No. 1817, A bill for an act relating to commerce; restraint of

trade; providing a civil remedy for injury to business reputation or dilution of quality of a mark; providing grounds for injunctive relief; proposing coding for new law in Minnesota Statutes, chapter 325D.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 1868, A bill for an act relating to public employment; providing an early retirement incentive for certain public employees; amending Minnesota Statutes 1990, section 275.125, by adding a subdivision; Minnesota Statutes 1991 Supplement, section 275.50, subdivision 5.

Reported the same back with the following amendments:

Page 2, line 2, after “(2)” insert “(i)”

Page 2, line 4, delete the comma and insert a semicolon and after “or” insert “(ii) has”

Page 2, line 7, after the semicolon, insert “or (iii) has at least 25 years of service credit in the public pension plan that the person is a member of on the day before retirement;”

Page 2, after line 12, insert:

“During the biennium ending June 30, 1993, an executive branch state agency may not hire a replacement for a person who retires under this subdivision, except under conditions specified by the commissioners of finance and employee relations.”

Page 2, line 14, delete “school”

Page 2, line 15, delete “district,” and insert “joint vocational technical district formed under Minnesota Statutes, sections 136C.60 to 136C.69,” and after “state” insert “may, and the governing body of a school district”

Page 2, line 23, after “retirement” insert “; or in the case of a teacher has a total of at least 25 years of service credit in the teachers retirement association, a first-class city teacher retirement fund, or any combination of these groups”



Page 2, line 30, after the period insert "An employer that pays for insurance under this subdivision may not exclude any eligible employees."

Page 2, lines 33 and 35, before "incentive" insert "health insurance"

Page 3, line 2, after the period insert "If the early retirement incentive in the collective bargaining agreement or personnel plan includes both health insurance and other incentives, the employee may receive the incentives, other than health insurance, provided under the agreement or plan and the incentive provided under this section."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Anderson, I., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 1977, A bill for an act relating to water; requiring criteria for water deficiency declarations; prohibiting the use of groundwater for lake level maintenance; requiring review of water appropriation permits; requiring contingency planning for water shortages; changing water appropriation permit requirements; requiring changes to the metropolitan area water supply plan; requiring reports to the legislature; appropriating money; amending Minnesota Statutes 1990, sections 103G.101, subdivision 1; 103G.261; 103G.271, by adding subdivisions; 103G.281, subdivisions 2 and 3; 103G.285, subdivision 1; 115.03, subdivision 1; 473.175, subdivision 1; 473.851; 473.858, by adding a subdivision; and 473.859, subdivisions 3, 4, and by adding a subdivision; Minnesota Statutes 1991 Supplement, section 473.156, subdivision 1; repealing Minnesota Statutes 1990, section 103G.285, subdivision 6.

Reported the same back with the following amendments:

Page 2, lines 6 and 7, reinstate the stricken language and delete the new language

Page 2, line 15, reinstate the stricken language and delete the new language

Page 3, delete lines 9 to 25, and insert:

"Subd. 8. [PERMIT REVIEW.] The commissioner shall:

(1) adopt procedures for review, by January 1, 1998, of each metropolitan area municipal permit existing on August 1, 1992, after which the permit may be modified by the commissioner to conform with sections 103G.255 to 103G.297;

(2) establish a schedule that provides for review of all permits at least once every ten years, including review of contingency plans required under subdivision 9;

(3) adopt procedures for submission to and review by the metropolitan council of municipal public water supply permits and applications in the metropolitan area for conformance with local water supply plans adopted under section 473.859, subdivision 3, clause (4);

(4) develop and implement a plan for establishing water conservation measures applicable to all permits; and

(5) adopt procedures for review of proposed new or rehabilitated metropolitan area municipal wells before approval by the commissioner of health under section 144.383, paragraph (a)."

Page 3, line 28, after "PLANNING" insert "; METROPOLITAN AREA"

Page 3, line 29, before "permits" insert "municipal" and before "must" insert "in the metropolitan area as defined in section 473.121, subdivision 2,"

Pages 3 and 4, delete section 6

Page 4, line 15, before "The" insert "For municipal permittees,"

Page 4, line 17, after "commercial," insert "irrigation,"

Page 4, after line 25, insert:

"Sec. 7. Minnesota Statutes 1990, section 103G.281, is amended by adding a subdivision to read:

Subd. 4. [FLOW METERS.] A municipal public water supply permittee in the metropolitan area must ensure that flow meters are installed by January 1, 1995, to measure the quantity of water used by each customer."

Page 8, line 25, after "potential" insert "reuses of the discharged water, including reuse as potable water;" and delete "potable and"

Page 8, delete line 26

Page 10, line 23, delete "continually" and insert "routinely"

Page 10, line 28, delete "and evaluate alternative water supplies inside"

Page 10, line 29, delete "outside the metropolitan area,"

Page 10, line 30, before the semicolon insert ". The council must coordinate its evaluation under this clause with potentially affected local officials and local interests"

Page 12, line 13, before "plans" insert "water supply"

Page 12, line 15, before "plans" insert "water supply"

Page 12, line 17, before "plans" insert "water supply"

Page 13, delete lines 18 to 27 and insert:

"(iii) a conservation program that contains the goals of the program, demand and supply conservation techniques to be used, a program for meter installation and reading if neither exists, an evaluation of pricing methods that could be used to reduce demand, the conditions under which conservation actions would occur, a process for reducing nonessential uses according to the priority system under section 103G.261, and the education program that will be used to inform the public of the need to conserve and the methods available to achieve conservation;

(iv) an emergency preparedness or contingency plan, as described in section 103G.271, subdivision 9;"

Page 13, line 28, delete "(iv)" and insert "(v)"

Page 13, line 33, delete "(v)" and insert "(vi)"

Page 14, line 1, delete "(vi)" and insert "(vii)"

Page 14, delete lines 29 to 33 and insert:

"Subd. 6. [PLAN REVIEW.] The council shall prepare guidelines for the preparation of the plans by January 1, 1993. The plans must be submitted to the council by January 1, 1995. The council shall review the plans under section 473.175, subdivision 1."

Page 15, line 10, delete "July" and insert "March"

Page 15, line 13, delete "16" and insert "17"

Page 15, delete section 19

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, before "contingency" insert "metropolitan area"

Page 1, line 12, delete "subdivisions 2 and 3" and insert "subdivision 3, and by adding a subdivision"

Page 1, line 17, delete everything after "1" and insert a period

Page 1, delete lines 18 and 19

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 1996, A bill for an act relating to retirement; permitting certain persons to have employer contributions transferred from the teachers retirement association to the individual retirement account plan; amending Laws 1990, chapter 570, article 3, section 11.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 1997, A bill for an act relating to retirement; higher education individual retirement account plan; amending Minnesota Statutes 1990, sections 354B.04, subdivision 1; and 354B.05, subdivision 1; Minnesota Statutes 1991 Supplement, section 354B.04, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 354B.

Reported the same back with the following amendments:

Page 1, line 13, strike everything after "contribution"

Page 1, line 14, strike "section" and delete the new language and insert "of 4-1/2 percent of salary"

Page 1, line 15, delete "(a)"

Page 1, line 21, strike "in an amount equal to the"

Page 1, line 22, strike "amount prescribed by section"

Page 1, line 22, delete "352D.04," and insert "of six percent of salary"

Page 1, line 23, delete everything before the period

Page 2, line 30, delete "1992" and insert "1993"

With the recommendation that when so amended the bill pass.

The report was adopted.

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 2060, A bill for an act relating to human services; directing the commissioner of human services to exempt intermediate care facilities for persons with mental retardation from Minnesota Rules, parts 9525.0215 to 9525.0430.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1991 Supplement, section 14.03, subdivision 3, is amended to read:

Subd. 3. [RULEMAKING PROCEDURES.] The definition of a rule in section 14.02, subdivision 4, does not include:

(1) rules concerning only the internal management of the agency or other agencies that do not directly affect the rights of or procedures available to the public;

(2) rules of the commissioner of corrections relating to the placement and supervision of inmates serving a supervised release term, the internal management of institutions under the commissioner's

control, and rules adopted under section 609.105 governing the inmates of those institutions;

(3) rules relating to weight limitations on the use of highways when the substance of the rules is indicated to the public by means of signs;

(4) opinions of the attorney general;

(5) the systems architecture plan and long-range plan of the state education management information system provided by section 121.931;

(6) the data element dictionary and the annual data acquisition calendar of the department of education to the extent provided by section 121.932;

(7) the occupational safety and health standards provided in section 182.655; or

(8) revenue notices and tax information bulletins of the commissioner of revenue; or

(9) interpretive guidelines published by the commissioner of human services under section 245A.092.

**Sec. 2. [245A.091][EXEMPTION FROM CERTAIN RULE PARTS GOVERNING RESIDENTIAL PROGRAMS FOR PERSONS WITH MENTAL RETARDATION OR RELATED CONDITIONS.]**

A Minnesota residential program certified under federal standards by the department of health as an intermediate care facility for persons with mental retardation or related conditions is exempt from the following Minnesota Rules parts:

(1) part 9525.0235, subparts 4; 6; 7; 8; 10, items A and B; and 12 to 15;

(2) part 9525.0243;

(3) part 9525.0245, subparts 2, items A, C, D, E, F; 4 to 7; and 9;

(4) part 9525.0255, subparts 1, items B, D, and F; and 3;

(5) part 9525.0265, subparts 1, items A and C; 3, items A to F; 5; and 8, items A and B;

(6) part 9525.0275;

- (7) part 9525.0285, subparts 2 and 3;
- (8) part 9525.0295, subparts 5, item B, subitem (3); and 6;
- (9) part 9525.0305, subparts 2, 3, items C, E, and F; and 5;
- (10) part 9525.0315, subparts 1; 2; and 3, items A to D;
- (11) part 9525.0325, subpart 3, items A, D to G, and I to K;
- (12) part 9525.0335, items C, E, F, H to J, and K, subitems (2) and (3); and
- (13) part 9525.0345, subparts 1, item B, subitem (2); 2, item A; 3 to 5; and 6, items A and B.

Sec. 3. [245A.092] [INTERPRETIVE GUIDELINES.]

Subdivision 1. [AUTHORITY.] The commissioner of human services may make, adopt, and publish interpretive guidelines. An "interpretive guideline" is a policy statement that has been published pursuant to subdivision 5 and that provides interpretation, details, or supplementary information concerning the application of law or rules. An interpretive guideline is published for the information and guidance of consumers, providers of service, county social service agencies, the department of human services, and others concerned.

Subd. 2. [EFFECT.] An interpretive guideline does not have the force and effect of law and has no precedential effect, but may be relied on by consumers, providers of service, and others concerned until revoked or modified. An interpretive guideline may be expressly revoked or modified by the commissioner, by the issuance of an interpretive guideline, but may not be revoked or modified retroactively to the detriment of the consumers, providers of services, county social service agencies, the department of human services, and others concerned. A change in the law or an interpretation of the law, whether in the form of a statute, court decision, administrative rule, or interpretive guideline, which occurs after an interpretive guideline is issued, results in revocation or modification of the guideline to the extent that the changed law affects the guideline.

Subd. 3. [RETROACTIVITY.] An interpretive guideline is interpretive of existing law and is retroactive to the effective date of the applicable law provision unless otherwise stated in the guideline.

Subd. 4. [ISSUANCE.] The issuance of an interpretive guideline is at the discretion of the commissioner of human services. The

commissioner shall establish procedures governing the issuance of interpretive guidelines.

Subd. 5. [PUBLICATION.] The commissioner shall publish interpretive guidelines in the State Register and in any other manner that makes them accessible to the general public. The commissioner may charge a reasonable fee for the publications. Interpretive guidelines are effective upon publication in the State Register.

Sec. 4. [REVISION OF RULES GOVERNING RESIDENTIAL PROGRAMS FOR PERSONS WITH MENTAL RETARDATION OR RELATED CONDITIONS.]

Prior to September 1, 1992, the commissioner shall begin the process of revising Minnesota Rules, parts 9525.0215 to 9525.0355, in accordance with the procedures set out in Minnesota Statutes, chapter 14.

Sec. 5. [REPORT TO THE LEGISLATURE.]

The commissioner shall submit a report to the legislature by January 31, 1993, on progress with respect to the following: (1) development of a single rule containing policy directives and common goals and outcomes for all licensed programs for persons with mental retardation or related conditions; (2) increasing efficiency in completion of vulnerable adult and maltreatment of minor investigations, in licensed programs, in consultation with the commissioner of health; (3) development of a technical assistance project to assist providers in avoiding negative license actions."

Delete the title and insert:

"A bill for an act relating to human services; exempting interpretive guidelines published by the commissioner of human services from the definition of rules; exempting intermediate care facilities for persons with mental retardation or related conditions from specific Minnesota Rules; authorizing the commissioner to make, adopt, and publish interpretive guidelines; directing the commissioner to revise Minnesota Rules, parts 9525.0215 to 9525.0355; directing the commissioner to submit a report; amending Minnesota Statutes 1991 Supplement, section 14.03, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 245A."

With the recommendation that when so amended the bill pass.

The report was adopted.



Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2063, A bill for an act relating to retirement; changing provisions governing reduced annuities from the public employees retirement association due to reemployment of annuitants; amending Minnesota Statutes 1990, section 353.37, subdivision 1.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 2135, A bill for an act relating to utilities; clarifying the authority of the public utility commission in establishing extended area telephone service; amending Minnesota Statutes 1990, section 237.161, subdivision 3; Minnesota Statutes 1991 Supplement, section 237.161, subdivision 1.

Reported the same back with the following amendments:

Pages 2 and 3, delete section 2

Page 3, line 21, delete "3" and insert "2"

Page 3, line 22, delete "Sections" and insert "Section" and delete "and 2 are" and insert "is"

Page 3, line 23, delete "apply" and insert "applies"

Amend the title as follows:

Page 1, line 4, delete "Minnesota Statutes"

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

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 2152, A bill for an act relating to labor; requiring arbitration in certain circumstances; establishing procedures; providing penalties; amending Minnesota Statutes 1990, sections 179.06, by adding a subdivision; and 179A.16, subdivision 3, and by adding a subdivision.

Reported the same back with the following amendments:

Page 5, after line 14, insert:

“(c) This subdivision does not apply to a group or unit of employees for two years after its creation as a result of a school district consolidation under Minnesota Statutes, chapter 122.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Osthoff from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 2180, A bill for an act relating to public bodies; providing for the place of residence of members; amending Minnesota Statutes 1991 Supplement, section 375.025, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 15.

Reported the same back with the following amendments:

Page 1, line 10, delete “to a multimember executive branch agency”

Page 1, lines 14 and 17, delete “agency or”

With the recommendation that when so amended the bill pass.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 2198, A bill for an act relating to education; permitting

a student to sign a waiver to attend a non-HECB registered school; amending Minnesota Statutes 1990, section 136A.63.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1990, section 136A.63, is amended to read:

136A.63 [REGISTRATION.]

Subdivision 1. [REQUIRED ANNUALLY.] All schools located within Minnesota and all schools located outside Minnesota which offer programs or courses within Minnesota shall register annually with the board.

Subd. 2. [STUDENT WAIVER.] Notwithstanding subdivision 1, if a prospective student wishes to enroll in a school that is not registered, the student must contact the board before the school may enroll the student. The board must provide the student with a copy of sections 136A.61 to 136A.71 and any rules implementing those sections, as well as the board's summary of the law and its protections for students and the potential risks of attending an unregistered school. If the prospective student still wishes to attend the unregistered school, the student must sign an informed waiver on a form provided by the board. The student must provide a copy of the signed waiver to the unregistered school after which the school may allow the student to enroll. The board must keep a copy of the signed waiver in its files for ten years.

In the event that the school in question also would be required to be licensed under the provisions of section 141.25, the signed waiver shall serve to exempt the school from those provisions solely for the purpose of providing instruction to that signatory. The board shall also transmit a copy of the signed waiver to the commissioner of education who must keep the copy on file for ten years.

Sec. 2. Minnesota Statutes 1990, section 141.25, is amended by adding a subdivision to read:

Subd. 2a. [STUDENT WAIVER.] Notwithstanding subdivisions 1 and 2, if a prospective student wishes to enroll in a school that is subject to the provisions of this chapter but that is not licensed, the student must contact the commissioner before the school may enroll the student. The commissioner must provide the student with a copy of chapter 141 and any rules implementing that chapter, as well as the commissioner's summary of the law and its protections for students and the potential risks of attending an unlicensed school. If the prospective student still wishes to attend the unlicensed school,

the student must sign an informed waiver on a form provided by the commissioner. The student must provide a copy of the signed waiver to the unlicensed school, after which the school may allow the student to enroll. The commissioner must keep a copy of the signed waiver on file for ten years.

In the event that the school in question also would be required to register under the provisions of section 136A.63, the signed waiver shall serve to exempt the school from those provisions solely for the purpose of providing instruction to that signatory. The commissioner shall also transmit a copy of the signed waiver to the higher education coordinating board which must keep the copy on file for ten years."

Amend the title as follows:

Page 1, line 3, before the semicolon insert "or an unlicensed school under chapter 141"

Page 1, line 4, delete "section" and insert "sections" and before the period insert "; and 141.25, by adding a subdivision"

With the recommendation that when so amended the bill pass.

The report was adopted.

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 2213, A bill for an act relating to health; changing home care licensure requirements; requiring persons who provide home management services to be registered, but not licensed; removing the fee exemption for local government providers; changing definitions; amending Minnesota Statutes 1990, sections 144A.43, subdivisions 3 and 4; and 144A.46, subdivision 5; Minnesota Statutes 1991 Supplement, section 144A.46, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 144A.

Reported the same back with the following amendments:

Page 5, line 3, delete "an agency" and insert "a provider"

Page 5, line 6, after "9525.0660" insert "when providing home care services to a person with a developmental disability"

Page 5, line 7, strike "person"

Page 5, line 8, delete "or agency" and insert "provider"

Page 5, line 13, after "9525.2140" insert "when providing home care services to a person with a developmental disability"

Page 5, line 22, strike "An" and delete "individual"

Page 5, lines 23 to 27, strike the old language

Page 5, line 28, strike everything before "The" and insert "All persons who have or will have direct contact with clients, including the home care provider, employees of the provider, and applicants for employment, shall be required to disclose all criminal convictions."

Page 6, line 30, delete everything after "organization"

Page 6, line 31, delete "provider" and after "provides" insert "only"

Page 6, line 35, after "must" insert "annually"

Page 7, line 4, after "rights" insert "provisions contained in section 144A.44"

Page 7, line 7, delete "controlling persons" and insert "individuals responsible for the management or direction"

Page 7, line 8, delete "a" and insert "an annual"

Page 7, line 19, after the comma insert "or"

Page 7, line 20, delete ", or impose conditions of registration"

Page 7, line 21, delete "Conviction of a crime related to" and insert "Any fine assessed for a violation of the bill of rights by a provider registered under this section shall be in the amount established in the licensure rules for home care providers."

Page 7, delete lines 22 and 23

Page 7, line 24, delete everything before "As"

Page 7, after line 32, insert:

"Sec. 7. Minnesota Statutes 1991 Supplement, section 144A.49, is amended to read:

144A.49 [TEMPORARY PROCEDURES.]

For purposes of this section, "home care providers" shall mean the providers described in section 144A.43, subdivision 4, including hospice programs described in section 144A.48. Home care providers are exempt from the licensure requirement in section 144A.46, subdivision 1, until 90 days after the effective date of the licensure rules. Beginning July 1, 1987, no home care provider, as defined in section 144A.43, subdivision 4, except a provider exempt from licensure under section 144A.46, subdivision 2, may provide home care services in this state without registering with the commissioner. A home care provider is registered with the commissioner when the commissioner has received in writing the provider's name; the name of its parent corporation or sponsoring organization, if any; the street address and telephone number of its principal place of business; the street address and telephone number of its principal place of business in Minnesota; the counties in Minnesota in which it may render services; the street address and telephone number of all other offices in Minnesota; and the name, educational background, and ten-year employment history of the person responsible for the management of the agency. A registration fee must be submitted with the application for registration, ~~except that the commissioner shall not collect a registration fee from a home care provider operated by a statutory or home rule charter city, county, town, or other governmental entity.~~ The fee must be established pursuant to section 144.122 and must be based on a consideration of the following factors: the number of clients served by the home care provider, the number of employees, the number of services offered, and annual revenues of the provider. The registration is effective until 90 days after licensure rules are effective. In order to maintain its registration and provide services in Minnesota, a home care provider must comply with section 144A.44 and comply with requests for information under section 144A.47. A registered home care provider is subject to sections 144A.51 to 144A.54. Registration under this section does not exempt a home care provider from the licensure and other requirements later adopted by the commissioner.

Within 90 days after the effective date of the licensure rules under section 144A.45, the commissioner of health shall issue provisional licenses to all home care providers registered with the department as of that date. The provisional license shall be valid until superseded by a license issued under section 144A.46 or for a period of one year, whichever is shorter. Applications for licensure as a home care provider received on or after the effective date of the home care licensure rules, shall be issued under section 144A.46, subdivision 1.

Sec. 8. Minnesota Statutes 1990, section 144A.51, subdivision 4, is amended to read:

Subd. 4. "Health care provider" means any professional licensed by the state to provide medical or health care services who does

provide the services to a resident of a health facility or a residential care home.

Sec. 9. Minnesota Statutes 1991 Supplement, section 144A.51, subdivision 5, is amended to read:

Subd. 5. "Health facility" means a facility or that part of a facility which is required to be licensed pursuant to sections 144.50 to 144.58, and a facility or that part of a facility which is required to be licensed under any law of this state which provides for the licensure of nursing homes, and a residential care home licensed under sections 144B.10 to 144B.17.

Sec. 10. Minnesota Statutes 1990, section 144A.51, subdivision 6, is amended to read:

Subd. 6. "Resident" means any resident or patient of a health facility or a residential care home, or a consumer of services provided by a home care provider, or the guardian or conservator of the resident, patient, or consumer, if one has been appointed.

Sec. 11. Minnesota Statutes 1990, section 144A.52, subdivision 3, is amended to read:

Subd. 3. The director may delegate to members of the staff any of the authority or duties of the director except the duty of formally making recommendations to the legislature, administrative agencies, health facilities, residential care homes, health care providers, home care providers, and the state commissioner of health.

Sec. 12. Minnesota Statutes 1990, section 144A.52, subdivision 4, is amended to read:

Subd. 4. The director shall attempt to include staff persons with expertise in areas such as law, health care, social work, dietary needs, sanitation, financial audits, health-safety requirements as they apply to health facilities, residential care homes, and any other relevant fields. To the extent possible, employees of the office shall meet federal training requirements for health facility surveyors.

Sec. 13. Minnesota Statutes 1991 Supplement, section 144A.53, subdivision 1, is amended to read:

Subdivision 1. [POWERS.] The director may:

(a) Promulgate by rule, pursuant to chapter 14, and within the limits set forth in subdivision 2, the methods by which complaints against health facilities, health care providers, home care providers, or residential care homes, or administrative agencies are to be made,

reviewed, investigated, and acted upon; provided, however, that a fee may not be charged for filing a complaint.

(b) Recommend legislation and changes in rules to the state commissioner of health, legislature, governor, administrative agencies or the federal government.

(c) Investigate, upon a complaint or upon initiative of the director, any action or failure to act by a health care provider, home care provider, residential care home, or a health facility.

(d) Request and receive access to relevant information, records, incident reports, or documents in the possession of an administrative agency, a health care provider, a home care provider, a residential care home, or a health facility, and issue investigative subpoenas to individuals and facilities for oral information and written information, including privileged information which the director deems necessary for the discharge of responsibilities. For purposes of investigation and securing information to determine violations, the director need not present a release, waiver, or consent of an individual. The identities of patients or residents must be kept private as defined by section 13.02, subdivision 12.

(e) Enter and inspect, at any time, a health facility or residential care home and be permitted to interview staff; provided that the director shall not unduly interfere with or disturb the provision of care and services within the facility or home or the activities of a patient or resident unless the patient or resident consents.

(f) Issue correction orders and assess civil fines pursuant to section 144.653 or any other law which provides for the issuance of correction orders to health facilities or home care provider, or under section 144A.45. A facility's or home's refusal to cooperate in providing lawfully requested information may also be grounds for a correction order.

(g) Recommend the certification or decertification of health facilities pursuant to Title XVIII or XIX of the United States Social Security Act.

(h) Assist patients or residents of health facilities or residential care homes in the enforcement of their rights under Minnesota law.

(i) Work with administrative agencies, health facilities, home care providers, residential care homes, and health care providers and organizations representing consumers on programs designed to provide information about health facilities to the public and to health facility residents.



Sec. 14. Minnesota Statutes 1990, section 144A.53, subdivision 2, is amended to read:

Subd. 2. [COMPLAINTS.] The director may receive a complaint from any source concerning an action of an administrative agency, a health care provider, a home care provider, a residential care home, or a health facility. The director may require a complainant to pursue other remedies or channels of complaint open to the complainant before accepting or investigating the complaint.

The director shall keep written records of all complaints and any action upon them. After completing an investigation of a complaint, the director shall inform the complainant, the administrative agency having jurisdiction over the subject matter, the health care provider, the home care provider, the residential care home, and the health facility of the action taken.

Sec. 15. Minnesota Statutes 1990, section 144A.53, subdivision 3, is amended to read:

Subd. 3. [RECOMMENDATIONS.] If, after duly considering a complaint and whatever material the director deems pertinent, the director determines that the complaint is valid, the director may recommend that an administrative agency, a health care provider, a home care provider, a residential care home, or a health facility should:

- (a) Modify or cancel the actions which gave rise to the complaint;
- (b) Alter the practice, rule or decision which gave rise to the complaint;
- (c) Provide more information about the action under investigation;  
or
- (d) Take any other step which the director considers appropriate.

If the director requests, the administrative agency, a health care provider, a home care provider, residential care home, or health facility shall, within the time specified, inform the director about the action taken on a recommendation.

Sec. 16. Minnesota Statutes 1990, section 144A.53, subdivision 4, is amended to read:

Subd. 4. [REFERRAL OF COMPLAINTS.] If a complaint received by the director relates to a matter more properly within the jurisdiction of an occupational licensing board or other governmental agency, the director shall forward the complaint to that agency and shall inform the complaining party of the forwarding. The

agency shall promptly act in respect to the complaint, and shall inform the complaining party and the director of its disposition. If a governmental agency receives a complaint which is more properly within the jurisdiction of the director, it shall promptly forward the complaint to the director, and shall inform the complaining party of the forwarding. If the director has reason to believe that an official or employee of an administrative agency, a home care provider, residential care home, or health facility has acted in a manner warranting criminal or disciplinary proceedings, the director shall refer the matter to the state commissioner of health, the commissioner of human services, an appropriate prosecuting authority, or other appropriate agency.

Sec. 17. Minnesota Statutes 1990, section 144A.54, subdivision 1, is amended to read:

Subdivision 1. Except as otherwise provided by this section, the director may determine the form, frequency, and distribution of the conclusions and recommendations. The director shall transmit the conclusions and recommendations to the state commissioner of health and the legislature. Before announcing a conclusion or recommendation that expressly or by implication criticizes an administrative agency, a health care provider, a home care provider, a residential care home, or a health facility, the director shall consult with that agency, health care provider, home care provider, home, or facility. When publishing an opinion adverse to an administrative agency, a health care provider, a home care provider, a residential care home, or a health facility, the director shall include in the publication any statement of reasonable length made to the director by that agency, health care provider, home care provider, residential care home, or health facility in defense or explanation of the action.

Sec. 18. Minnesota Statutes 1991 Supplement, section 144A.61, subdivision 3a, is amended to read:

Subd. 3a. [COMPETENCY EVALUATION PROGRAM.] The commissioner of health shall approve the competency evaluation program. A competency evaluation must be administered to nursing assistants who desire to be listed in the nursing assistant registry and who have done one of the following: (1) completed an approved training program; (2) been listed on the nursing assistant registry maintained by another state; or (3) completed a training program in nursing assistant skills other than the approved course. The tests may only be administered by technical colleges, community colleges, or other organizations approved by the department of health. ~~After January 1, 1992,~~ A competency evaluation for a person, other than an individual enrolled in a licensed nurse education program, who has not completed an approved nursing assistant training program, must include an evaluation of all clinical skills.

Sec. 19. Minnesota Statutes 1991 Supplement, section 144A.61, subdivision 6a, is amended to read:

Subd. 6a. [NURSING ASSISTANTS HIRED IN 1990 AND AFTER.] Each nursing assistant hired to work in a nursing home or in a certified boarding care home on or after January 1, 1990, must have successfully completed an approved competency evaluation prior to employment or an approved nursing assistant training program and competency evaluation within four months from the date of employment.

Sec. 20. Minnesota Statutes 1991 Supplement, section 144B.01, subdivision 5, is amended to read:

Subd. 5. [RESIDENTIAL CARE HOME OR HOME.] "Residential care home" or "home" means an establishment with a minimum of five beds, where adult residents are provided sleeping accommodations and ~~two three~~ or more meals per day and where at least two or more supportive services or at least one health-related service are provided or offered to all residents by the facility home. A residential care home is not required to offer every supportive or health-related service. A "residential care home" does not include:

(1) a board and lodging establishment licensed under chapter 157 and ~~also licensed by the commissioner of human services under chapter 245A~~ the provisions of Minnesota Rules, parts 9530.4100 to 9530.4450;

(2) a boarding care home or a supervised living facility licensed under chapter 144;

(3) a home care provider licensed under chapter 144A; and

(4) any housing arrangement which consists of apartments containing a separate kitchen or kitchen equipment that will allow residents to prepare meals and where supportive services may be provided, on an individual basis, to residents in their living units either by the management of the residential care home or by home care providers under contract with the home's management; and

(5) a board or lodging establishment which serves as a shelter for battered women or other similar purpose.

Sec. 21. Minnesota Statutes 1991 Supplement, section 144B.01, subdivision 6, is amended to read:

Subd. 6. [SUPPORTIVE SERVICES.] "Supportive services" means the provision of supervision and minimal assistance with independent living skills. Supportive services include assistance with transportation, arranging for meetings and appointments,

arranging for medical and social services, help with laundry, managing money handling personal funds of residents, and personal shopping assistance. In addition, supportive services include, if needed, assistance with walking, grooming, dressing, eating, bathing, toileting, and providing reminders to residents to take medications. Supportive services also include other health-related support services identified by the commissioner in rule.

Sec. 22. Minnesota Statutes 1991 Supplement, section 144B.01, is amended by adding a subdivision to read:

Subd. 7. [HEALTH-RELATED SERVICES.] "Health-related services" include provision of or arrangement, if needed, of assistance with walking, grooming, dressing, eating, bathing, toileting, storing medications, providing reminders to take medications, administering medications, and other services identified by the commissioner in rule.

Sec. 23. Minnesota Statutes 1991 Supplement, section 144B.10, subdivision 2, is amended to read:

Subd. 2. [PERIODIC INSPECTION.] (a) All homes required to be licensed under sections 144B.01 to 144B.17 shall be periodically inspected by the commissioner to ensure compliance with rules and standards. Inspections shall occur at different times throughout the calendar year.

(b) Within the limits of the resources available to the commissioner, the commissioner shall conduct inspections and reinspections with a frequency and in a manner calculated to produce the greatest benefit to residents. In performing this function, the commissioner may devote proportionately more resources to the inspection of those homes in which conditions present the most serious concerns with respect to resident health, safety, comfort, and well-being, including:

- (1) change in ownership;
- (2) frequent change in management or staff;
- (3) complaints about care, safety, or rights;
- (4) previous inspections or reinspections which have resulted in correction orders related to care, safety, or rights; and
- (5) indictment of persons involved in ownership or operation of the home for alleged criminal activity.

(c) A home that does not have any of the conditions in paragraph (b) or any other condition established by the commissioner that

poses a risk to resident care, safety, or rights shall be inspected once every ~~two~~ three years.”

Page 7, line 33, delete “7” and insert “24”

Page 7, line 34, delete “6” and insert “23”

Delete the title and insert:

“A bill for an act relating to health; changing home care licensure requirements; requiring persons who provide home management services to be registered, but not licensed; removing the fee exemption for local government providers; changing definitions; amending Minnesota Statutes 1990, sections 144A.43, subdivisions 3 and 4; 144A.46, subdivision 5; 144A.51, subdivisions 4 and 6; 144A.52, subdivisions 3 and 4; 144A.53, subdivisions 2, 3, and 4; and 144A.54, subdivision 1; Minnesota Statutes 1991 Supplement, sections 144A.46, subdivisions 1 and 2; 144A.49; 144.51, subdivision 5; 144A.53, subdivision 1; 144A.61, subdivisions 3a and 6a; 144B.01, subdivisions 5, 6, and by adding a subdivision; and 144B.10, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 144A.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2251, A bill for an act relating to state government; adopting the square dance as the American folk dance of Minnesota; proposing coding for new law in Minnesota Statutes, chapter 1.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2280, A bill for an act authorizing a conveyance of state lands to the city of Biwabik.

Reported the same back with the following amendments:

Page 1, line 6, delete "any law to the contrary, the state" and insert "the public sale provisions of Minnesota Statutes, chapter 282, St. Louis county"

Page 1, line 8, delete everything after the first comma

Page 1, line 9, delete "title, and interest in" and after "of" insert "tax-forfeited"

Page 1, line 10, after "county" insert ", except state highway right-of-way,"

With the recommendation that when so amended the bill pass.

The report was adopted.

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 2286, A bill for an act relating to human services; requiring reporting of legally blind persons to Minnesota state services for the blind and visually handicapped; proposing coding for new law in Minnesota Statutes, chapter 248.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [248.011] [REPORTING OF NEWLY BLINDED INDIVIDUAL.]

Subdivision 1. [DUTY TO REPORT.] Whenever an ophthalmologist or optometrist makes a diagnosis of legal blindness as defined in section 256D.35, subdivision 4a, the ophthalmologist or optometrist shall advise the client that services are available through Minnesota state services for the blind and visually handicapped. After obtaining client consent, the ophthalmologist or optometrist shall report the name of the legally blind client to Minnesota state services for the blind and visually handicapped. The report must be filed with Minnesota state services for the blind and visually handicapped within 30 days following a diagnosis of legal blindness after obtaining client consent.

Subd. 2. [DUTIES OF MINNESOTA STATE SERVICES FOR THE BLIND AND VISUALLY HANDICAPPED.] Upon receipt of the

name of a legally blind individual, Minnesota state services for the blind and visually handicapped shall contact the newly blind individual within 30 days and provide a complete summary of available services to the blind individual in a media accessible to the individual.

Sec. 2. Minnesota Statutes 1990, section 248.07, subdivision 1, is amended to read:

Subdivision 1. [COOPERATION.] It shall be the duty of the commissioner of jobs and training, referred to in this section and sections 248.10 and 248.11 as the commissioner, to develop and administer programs serving the needs of blind and visually handicapped persons and to cooperate with state and local boards and agencies both public and private. The commissioner shall create a distinct organizational unit to be known as the division of services for the blind and visually handicapped, separate from the vocational rehabilitation unit and with its own activity budget, within the department of jobs and training to provide and coordinate services to the blind.

Sec. 3. Minnesota Statutes 1990, section 248.07, subdivision 5, is amended to read:

Subd. 5. [AIDS.] The commissioner shall further be empowered to aid the blind: (1) By home instruction and training; (2) by assisting them in securing tools, appliances, and supplies; (3) by any other practicable means of improving their social, economic, or educational condition; ~~and~~ (4) by providing to eligible persons, or purchasing for sale at cost plus handling charges, special materials and supplies needed by blind or visually handicapped persons that are difficult to obtain elsewhere; and (5) by promoting literacy and access to print materials through production of alternative reading formats such as braille, audio tapes, radio signals, newspaper reading services, and other services originating from the division's communication center. Equipment may be leased or sold under written rehabilitation plans at cost plus handling charges to persons who wish to lease or purchase them. Receipts under this subdivision, as well as gifts to aid the blind, are subject to section 268.0121, subdivision 5.

Sec. 4. Minnesota Statutes 1990, section 248.10, subdivision 2, is amended to read:

Subd. 2. [REMOVAL; VACANCIES; ~~EXPIRATION.~~] The compensation, removal of members, and filling of vacancies on the council are as provided in section 15.0575. ~~The council expires on June 30, 1993.~~

Delete the title and insert:

“A bill for an act relating to human services; requiring reporting of legally blind persons to Minnesota state services for the blind and visually handicapped; modifying the duties of the commissioner of the jobs and training department; removing a council’s expiration date; amending Minnesota Statutes 1990, sections 248.07, subdivisions 1 and 5; and 248.10, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 248.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Skoglund from the Committee on Financial Institutions and Insurance to which was referred:

H. F. No. 2346, A bill for an act relating to insurance; providing for automobile insurance policy coverage on the repair or replacement of motor vehicle glass; amending Minnesota Statutes 1991 Supplement, section 72A.201, subdivision 6.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1991 Supplement, section 72A.201, subdivision 6, is amended to read:

Subd. 6. [STANDARDS FOR AUTOMOBILE INSURANCE CLAIMS HANDLING, SETTLEMENT OFFERS, AND AGREEMENTS.] In addition to the acts specified in subdivisions 4, 5, 7, 8, and 9, the following acts by an insurer, adjuster, or a self-insured or self-insurance administrator constitute unfair settlement practices:

(1) if an automobile insurance policy provides for the adjustment and settlement of an automobile total loss on the basis of actual cash value or replacement with like kind and quality and the insured is not an automobile dealer, failing to offer one of the following methods of settlement:

(a) comparable and available replacement automobile, with all applicable taxes, license fees, at least pro rata for the unexpired term of the replaced automobile’s license, and other fees incident to the transfer or evidence of ownership of the automobile paid, at no cost to the insured other than the deductible amount as provided in the policy;

(b) a cash settlement based upon the actual cost of purchase of a comparable automobile, including all applicable taxes, license fees,



at least pro rata for the unexpired term of the replaced automobile's license, and other fees incident to transfer of evidence of ownership, less the deductible amount as provided in the policy. The costs must be determined by:

(i) the cost of a comparable automobile, adjusted for mileage, condition, and options, in the local market area of the insured, if such an automobile is available in that area; or

(ii) one of two or more quotations obtained from two or more qualified sources located within the local market area when a comparable automobile is not available in the local market area. The insured shall be provided the information contained in all quotations prior to settlement; or

(iii) any settlement or offer of settlement which deviates from the procedure above must be documented and justified in detail. The basis for the settlement or offer of settlement must be explained to the insured;

(2) if an automobile insurance policy provides for the adjustment and settlement of an automobile partial loss on the basis of repair or replacement with like kind and quality and the insured is not an automobile dealer, failing to offer one of the following methods of settlement:

(a) to assume all costs, including reasonable towing costs, for the satisfactory repair of the motor vehicle. Satisfactory repair includes repair of both obvious and hidden damage as caused by the claim incident. This assumption of cost may be reduced by applicable policy provision; or

(b) to offer a cash settlement sufficient to pay for satisfactory repair of the vehicle. Satisfactory repair includes repair of obvious and hidden damage caused by the claim incident, and includes reasonable towing costs;

(3) regardless of whether the loss was total or partial, in the event that a damaged vehicle of an insured cannot be safely driven, failing to exercise the right to inspect automobile damage prior to repair within five business days following receipt of notification of claim. In other cases the inspection must be made in 15 days;

(4) regardless of whether the loss was total or partial, requiring unreasonable travel of a claimant or insured to inspect a replacement automobile, to obtain a repair estimate, to allow an insurer to inspect a repair estimate, to allow an insurer to inspect repairs made pursuant to policy requirements, or to have the automobile repaired;

(5) regardless of whether the loss was total or partial, if loss of use

coverage exists under the insurance policy, failing to notify an insured at the time of the insurer's acknowledgment of claim, or sooner if inquiry is made, of the fact of the coverage, including the policy terms and conditions affecting the coverage and the manner in which the insured can apply for this coverage;

(6) regardless of whether the loss was total or partial, failing to include the insured's deductible in the insurer's demands under its subrogation rights. Subrogation recovery must be shared at least on a proportionate basis with the insured, unless the deductible amount has been otherwise recovered by the insured, except that when an insurer is recovering directly from an uninsured third party by means of installments, the insured must receive the full deductible share as soon as that amount is collected and before any part of the total recovery is applied to any other use. No deduction for expenses may be made from the deductible recovery unless an attorney is retained to collect the recovery, in which case deduction may be made only for a pro rata share of the cost of retaining the attorney;

(7) requiring as a condition of payment of a claim that repairs to any damaged vehicle must be made by a particular contractor or repair shop or that parts, other than window glass, must be replaced with parts other than original equipment parts;

(8) where liability is reasonably clear, failing to inform the claimant in an automobile property damage liability claim that the claimant may have a claim for loss of use of the vehicle;

(9) failing to make a good faith assignment of comparative negligence percentages in ascertaining the issue of liability;

(10) failing to pay any interest required by statute on overdue payment for an automobile personal injury protection claim;

(11) if an automobile insurance policy contains either or both of the time limitation provisions as permitted by section 65B.55, subdivisions 1 and 2, failing to notify the insured in writing of those limitations at least 60 days prior to the expiration of that time limitation;

(12) if an insurer chooses to have an insured examined as permitted by section 65B.56, subdivision 1, failing to notify the insured of all of the insured's rights and obligations under that statute, including the right to request, in writing, and to receive a copy of the report of the examination;

(13) failing to provide, to an insured who has submitted a claim for benefits described in section 65B.44, a complete copy of the insurer's claim file on the insured, excluding internal company memoranda,

all materials that relate to any insurance fraud investigation, materials that constitute attorney work-product or that qualify for the attorney-client privilege, and medical reviews that are subject to section 145.64, within ten business days of receiving a written request from the insured. The insurer may charge the insured a reasonable copying fee. This clause supersedes any inconsistent provisions of sections 72A.49 to 72A.505;

(14) if an automobile policy provides for the adjustment or settlement of an automobile loss due to damaged window glass, failing to assume all reasonable costs sufficient to pay the insured's chosen vendor for the repair or replacement of comparable window glass at a price generally available in the area. This clause does not prohibit an insurer from recommending a vendor to the insured or from agreeing with a vendor to perform work at an agreed-upon price-, provided, however, that before recommending a vendor, the insurer shall offer its insured the opportunity to choose the vendor;

(15) requiring that the repair or replacement of motor vehicle glass and related products and services be made in a particular place or shop or by a particular entity, or by otherwise limiting the ability of the insured to select the place, shop, or entity to repair or replace the motor vehicle glass and related products and services; or

(16) engaging in any act or practice of intimidation, coercion, threat, incentive, or inducement for or against an insured to use a particular company or location to provide the motor vehicle glass repair or replacement services or products. For purposes of this section, a warranty shall not be considered an inducement or incentive.

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Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

Amend the title as follows:

Page 1, line 2, delete everything after the semicolon

Page 1, delete line 3

Page 1, line 4, delete everything before the semicolon and insert "regulating coverage for motor vehicle glass"

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, I., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2426, A bill for an act relating to Dakota county; providing financing for planning activities for the international airport or other transportation; authorizing a regional railroad authority to transfer light rail money.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [DAKOTA COUNTY; TRANSPORTATION PLANNING.]

Notwithstanding any law to the contrary, the Dakota county regional railroad authority may transfer any available money of the authority, including money in capital accounts, to Dakota county to be expended to meet other transportation studies. The department of transportation may amend any contract with Dakota county providing funds for light rail transit purposes under Laws 1989, chapter 269, section 2, subdivision 3, to allow the county to use the funds for purposes consistent with this section.

Sec. 2. [EFFECTIVE DATE.]

This act takes effect on the day following final enactment.”

Delete the title and insert:

“A bill for an act relating to Dakota county; providing financing for transportation planning activities; authorizing a regional railroad authority to transfer light rail money.”

With the recommendation that when so amended the bill pass.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 2430, A bill for an act relating to education; requesting the University of Minnesota to establish a policy center for American Indian law and social justice on its Duluth campus; proposing coding for new law in Minnesota Statutes, chapter 137.

Reported the same back with the following amendments:

Page 2, line 2, delete "\$150,000" and insert "\$50,000"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 2443, A bill for an act relating to education; increasing student membership on the higher education board; amending Minnesota Statutes 1991 Supplement, section 136E.01, subdivisions 1 and 2; and Laws 1991, chapter 356, article 9, section 8, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1991 Supplement, section 136E.01, subdivision 1, is amended to read:

Subdivision 1. [MEMBERSHIP.] The higher education board, referred to in sections 136E.01 to 136E.05 as "the board," consists of ~~13~~ 15 members appointed by the governor with the advice and consent of the senate. At least one member of the board must be a resident of each congressional district. ~~One member~~ Three members must be a ~~student~~ students or have graduated from an institution governed by the board within one year of the date of appointment. One student member must represent technical colleges, one student member must represent community colleges, and one student member must represent state universities. The remaining members must be appointed to represent the state at large.

Sec. 2. Minnesota Statutes 1991 Supplement, section 136E.01, subdivision 2, is amended to read:

Subd. 2. [TERM; COMPENSATION; REMOVAL; VACANCIES.] The compensation, removal of members, and filling of vacancies on the board are as provided in section 15.0575. Members are appointed for a term of six years, except that the ~~term~~ terms of the student ~~member is~~ members are two years. Terms end on June 30.

Sec. 3. Laws 1991, chapter 356, article 9, section 8, subdivision 1, is amended to read:

Subdivision 1. [APPOINTMENTS TO BOARD.] Appointments to the higher education board must be made by July 1, 1991. Notwithstanding section 2, the initial higher education board consists of two members each from the state board of technical colleges, state board for community colleges, and the state university board, appointed by their respective boards and ~~six~~ nine members appointed by the governor. The governor's appointees may also be members of the current governing boards. The governor shall appoint one student member from a technical college, one student member from a community college, and one student member from a state university. The members appointed by boards must have been confirmed by the senate to the board from which they are appointed and served for at least one year on the board from which they were appointed. Initial higher education board members appointed by boards are not subject to further senate confirmation. Initial appointees of the governor are not subject to section 3. ~~The governor shall appoint the student member July 1, 1995.~~ Notwithstanding section 2, subdivision 2, the initial members of the higher education board must be appointed so that an equal number will have terms expiring in three, five, and seven years, except that the terms of the student members all expire June 30, 1995. To the extent possible, the initial board must have the geographic balance required by section 2.

Sec. 4. [EFFECTIVE DATE.]

Sections 1 to 3 are effective the day following final enactment."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 2472, A bill for an act relating to human services; providing for notice to vendors when payments on behalf of a recipient will be reduced or terminated; limiting the liability of the state and county for damages claimed by vendors due to failure of a recipient to pay for rent, goods, or services; amending Minnesota Statutes 1990, section 256.81.

Reported the same back with the following amendments:

Page 2, line 11, after the period insert "A fee of no more than \$5 may be charged to a vendor to offset the cost of notification."

Page 2, line 16, after "pay" insert "or to notify"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2502, A bill for an act relating to recreation; establishing a Cuyuna country state recreation area; establishing a new unit in the outdoor recreation system; appropriating money; amending Minnesota Statutes 1990, sections 86A.04; 86A.05, subdivisions 2 and 3; and 86A.08, subdivision 1; Minnesota Statutes 1991 Supplement, section 85.045, subdivision 2.

Reported the same back with the following amendments:

Page 1, line 24 to page 2, line 26, delete the new language

Page 2, line 28, delete "advisory"

Page 5, delete lines 6 to 9

Renumber the remaining subdivisions in sequence

Correct the internal references

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Vellenga from the Committee on Judiciary to which was referred:

H. F. No. 2541, A bill for an act relating to probate; enacting the uniform transfer on death security registration act; providing for rights of creditors and revocation of beneficiary designation by will; proposing coding for new law in Minnesota Statutes, chapter 524.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2544, A bill for an act relating to game and fish; management of aquatic vegetation; rules for stamp design contests; use of live ammunition in dog training; red or blaze orange hunting clothing; nonresident rough fish taking; raccoon seasons; combining of licenses for private fish hatcheries and fish farms; salmon or trout possession; and muskie size limits; amending Minnesota Statutes 1990, sections 84.091, subdivision 1; 97A.045, subdivision 7; 97B.005, subdivisions 2 and 3; 97B.071; 97B.621, subdivision 1; 97C.211; 97C.305, subdivision 1; 97C.375; and 97C.405; Minnesota Statutes 1991 Supplement, section 84.091, subdivision 2; repealing Minnesota Statutes 1990, section 97C.209.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1990, section 84.091, subdivision 1, is amended to read:

Subdivision 1. [OWNERSHIP.] The state is the owner of wild rice and other aquatic vegetation growing in public waters. A person may not acquire a property interest in wild rice or other aquatic vegetation or destroy wild rice or aquatic vegetation, except as authorized under this chapter or chapter 103G.

Sec. 2. Minnesota Statutes 1991 Supplement, section 84.091, subdivision 2, is amended to read:

Subd. 2. [LICENSE REQUIRED; EXCEPTION.] (a) Except as provided in paragraph (b), a person may not harvest, buy, sell, transport, or possess aquatic plants wild rice or wild ginseng without a license required under this chapter. A license shall be issued in the same manner as provided under the game and fish laws.

(b) A resident under the age of 16 years may harvest wild rice without a license, if accompanied by a person with a wild rice license.

Sec. 3. Minnesota Statutes 1990, section 97A.045, subdivision 7, is amended to read:

Subd. 7. [DUTY TO ENCOURAGE STAMP DESIGN AND PURCHASES.] (a) The commissioner shall encourage the purchase of:

(1) Minnesota migratory waterfowl stamps by nonhunters inter-



ested in the migratory waterfowl preservation and habitat development;

(2) pheasant stamps by persons interested in pheasant habitat improvement; and

(3) trout and salmon stamps by persons interested in trout and salmon stream and lake improvement.

(b) The commissioner shall make rules governing contests for selecting a design for each stamp.

Sec. 4. Minnesota Statutes 1990, section 97B.005, subdivision 2, is amended to read:

Subd. 2. [RESTRICTION ON AMMUNITION WHILE TRAINING.] A person ~~that~~ is training a dog afield and carrying a firearm may only have blank cartridges and shells in personal possession when the season is not open for any game bird, except as provided in subdivision 3.

Sec. 5. Minnesota Statutes 1990, section 97B.005, subdivision 3, is amended to read:

Subd. 3. [PERMITS FOR ORGANIZATIONS AND INDIVIDUALS TO USE GAME BIRDS AND FIREARMS.] The commissioner may issue special permits, without a fee, to organizations and individuals to use firearms and live ammunition on domesticated birds or banded game birds from game farms for holding field trials and training ~~retrieving~~ hunting dogs.

Sec. 6. Minnesota Statutes 1990, section 97B.071, is amended to read:

97B.071 [RED OR BLAZE ORANGE REQUIREMENTS.]

A person may not hunt or trap during the open season in a zone or area where deer may be taken by firearms, unless the visible portion of the person's cap and outer clothing above the waist, excluding sleeves and gloves, is bright red or blaze orange. Blaze orange includes a camouflage pattern of at least 50 percent blaze orange within each foot square. This section does not apply to migratory waterfowl hunters in a boat, placing or removing decoys, or retrieving waterfowl on surface waters or in a stationary blind.

Sec. 7. Minnesota Statutes 1990, section 97B.621, subdivision 1, is amended to read:

Subdivision 1. [SEASON.] The statewide open season for raccoon

may be prescribed set by the commissioner between October 15 and December 31.

Sec. 8. Minnesota Statutes 1990, section 97C.201, is amended to read:

**97C.201 [STATE FISH STOCKING PROHIBITED WITHOUT PUBLIC ACCESS.]**

The commissioner and state agencies may only stock fish in waters where there is public free access. ~~The commissioner may stock fish in any stream within privately owned lands where the public is granted free access to and use of the stream for fishing purposes by the public.~~

Sec. 9. Minnesota Statutes 1990, section 97C.211, is amended to read:

**97C.211 [PRIVATE FISH HATCHERIES AQUATIC FARMS.]**

Subdivision 1. [LICENSE REQUIRED.] A person may not operate a private fish hatchery an aquatic farm without a private fish hatchery an aquatic farm license. ~~A private fish hatchery is a facility for raising~~ An aquatic farm is a facility used for the purpose of culturing private aquatic life in waters, including but not limited to artificial ponds, vats, tanks, raceways, other indoor or outdoor facilities, for the sole purpose of processing or cultivating aquatic life. This facility commercially raises fish, including minnows, for sale, stocking waters, angling, or processing, including processing for human consumption.

Subd. 2. [RULES FOR OPERATION.] The commissioner shall prescribe rules that allow a person to maintain and operate a private fish hatchery an aquatic farm to raise and dispose of fish. The commissioner shall establish and assess a fee to cover the cost of inspection and disease certification of private hatcheries aquatic farms.

Subd. ~~2~~ 3. [ACQUISITION OF FISH.] (a) A private fish hatchery An aquatic farm may not obtain fish outside of the state unless the fish or the source of the fish are approved by the commissioner. The commissioner may apply more stringent requirements to fish or a source of fish from outside the state than are applied to fish and sources of fish from within the state. The commissioner must either approve or deny the acquisition within 30 days after receiving a written request for approval. Minnows acquired must be processed and not released into public waters, except as provided in section 97C.515, subdivision 4. A request may be for annual acquisition.

(b) If the commissioner denies approval, a written notice must be

submitted to the applicant stating the reasons for the denial and the commissioner must:

(1) designate approved sources to obtain the desired fish or fish eggs; or

(2) sell the fish or fish eggs from state ~~fish hatcheries~~ operations at fair market value.

Subd. 3 4. [FISHING LICENSE NOT REQUIRED FOR PERSONS TO TAKE FISH.] A person may take fish by angling without a fishing license at a licensed ~~private fish hatchery~~ aquatic farm or an artificial pool containing only fish purchased from a ~~private fish hatchery~~ an aquatic farm, if the operator of the ~~hatchery~~ farm or pool furnishes each person catching fish a certificate prescribed by the commissioner. The certificate must state the number and species of the fish caught and other information as prescribed by the commissioner. A person without a fishing license may possess, ship, and transport within the state the fish caught in the same manner as fish taken by a resident with a fishing license.

Subd. 4 5. [LICENSE REQUIRED TO TAKE SUCKER EGGS.] A person may not take sucker eggs from public waters for a ~~private fish hatchery~~ an aquatic farm without a license to do so.

Subd. 5 6. [PRICE OF WALLEYE FRY.] The commissioner may not sell walleye fry for less than fair market value, defined as the average price charged by private walleye fry wholesalers located in Minnesota.

Sec. 10. Minnesota Statutes 1990, section 97C.305, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENT.] Except as provided in subdivision 2, a person over age 16 and under age 65 required to possess an angling license must have a trout and salmon stamp in possession to take fish by angling in:

- (1) a stream designated by the commissioner as a trout stream;
- (2) a lake designated by the commissioner as a trout lake; or
- (3) Lake Superior;

or to possess trout or salmon, including lake trout, taken by angling.

Sec. 11. Minnesota Statutes 1990, section 97C.375, is amended to read:

97C.375 [TAKING ROUGH FISH BY SPEARING OR ARCHERY.]

A resident or nonresident may take rough fish by spearing or archery during the times, in waters, and in the manner prescribed by the commissioner.

Sec. 12. Minnesota Statutes 1990, section 97C.405, is amended to read:

97C.405 [MUSKELLUNGE SIZE LIMITS.]

(a) Except as allowed under paragraph (b), if a person catches a muskellunge less than ~~36~~ 40 inches long in waters north of trunk highway No. 210, the person must immediately release the fish into the waters.

(b) The commissioner may designate lakes north of trunk highway No. 210 where muskellunge less than ~~36~~ 40 inches, but not less than 30 inches long, may be retained.

Sec. 13. Minnesota Statutes 1990, section 97C.701, subdivision 1, is amended to read:

97C.701 [TAKING, POSSESSION, PURCHASE, AND SALE OF MUSSELS.]

Subdivision 1. [COMMISSIONER'S AUTHORITY.] The commissioner may prescribe by rule conditions for taking, possession, purchase, and sale of mussels.

Sec. 14. Minnesota Statutes 1990, section 97C.705, subdivision 1, is amended to read:

Subdivision 1. [OPEN SEASON.] The open season for taking mussels is from May 16 ~~to~~ through the last day of February.

Sec. 15. Minnesota Statutes 1990, section 97C.711, is amended to read:

97C.711 [MUSSEL SIZE LIMITS.]

A person may not take mussels less than 1-3/4 inches in the greatest dimension, except pigtoes. The commissioner may prescribe size limits for the taking of mussels from the waters of the state. A person must return undersized mussels to the water without injury.

Sec. 16. [REPEALER.]

Minnesota Statutes 1990, sections 97C.209; 97C.701, subdivisions 4 and 5; and 97C.705, subdivision 2, are repealed.

Sec. 17. [EFFECTIVE DATE.]

Sections 10 and 12 are effective March 1, 1993."

Delete the title and insert:

"A bill for an act relating to game and fish; management of aquatic vegetation; rules for stamp design contests; use of live ammunition in dog training; red or blaze orange hunting clothing; nonresident rough fish taking; raccoon seasons; combining of licenses for private fish hatcheries and fish farms; salmon or trout possession; and muskie size limits; restrictions upon fish stocking; restrictions upon taking or possession of mussels; amending Minnesota Statutes 1990, sections 84.091, subdivision 1; 97A.045, subdivision 7; 97B.005, subdivisions 2 and 3; 97B.071; 97B.621, subdivision 1; 97C.201; 97C.211; 97C.305, subdivision 1; 97C.375; 97C.405; 97C.701, subdivision 1; 97C.705, subdivision 1; and 97C.711; Minnesota Statutes 1991 Supplement, section 84.091, subdivision 2; repealing Minnesota Statutes 1990, sections 97C.209; 97C.701, subdivisions 4 and 5; and 97C.705, subdivision 2."

With the recommendation that when so amended the bill pass.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2545, A bill for an act relating to retirement; legislators and elective state officers retirement plans; establishing a retirement fund for each plan; establishing concurrent employer retirement contributions for each plan; establishing special additional employer contribution for each plan; transferring a portion of an existing appropriation; appropriating money; amending Minnesota Statutes 1990, sections 3A.03; 3A.11, subdivision 1; and 352C.09, subdivision 1, and by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapters 3A and 352C; repealing Minnesota Statutes 1990, sections 3A.02, subdivision 3; and 352C.10.

Reported the same back with the following amendments:

Page 3, line 24, delete the new language

Page 3, line 25, delete everything before the period

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2564, A bill for an act relating to state government; reorganizing, consolidating, and restructuring state agencies and departments; creating the department of environmental protection and conservation, the board of environmental review, and the office of assistance and public advocacy; transferring all powers and duties of the pollution control agency, the department of natural resources, the environmental quality board, the board of water and soil resources, the office of waste management, the harmful substances compensation board, the petroleum tank release compensation board, and the agricultural chemical response compensation board; transferring certain powers and duties of the departments of agriculture, health, public safety, trade and economic development, and transportation; authorizing rulemaking; amending Minnesota Statutes 1991 Supplement, section 15A.081, subdivision 1; proposing coding for new law as Minnesota Statutes, chapters 100A; and 100B.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Appropriations without further recommendation.

The report was adopted.

Vellenga from the Committee on Judiciary to which was referred:

H. F. No. 2574, A bill for an act relating to traffic regulations; providing misdemeanor penalties for persons who refuse to submit to a chemical test to determine if the person is under the influence of alcohol or a controlled substance; amending Minnesota Statutes 1990, section 169.121, subdivisions 1a, 3, and 3b; Minnesota Statutes 1991 Supplement, section 169.123, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

## "ARTICLE 1

## DRIVING WHILE INTOXICATED PROVISIONS

Section 1. Minnesota Statutes 1990, section 168.042, subdivision 1, is amended to read:

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

(b) "Violator" means a person who was driving, operating, or in physical control of the motor vehicle when the violation occurred.

(c) "Violation" means:

(1) a violation of section 169.123 or an impaired driving conviction as defined in section 169.121, subdivision 3, that results in the revocation of a person's driver's license or driving privileges, and also includes an alcohol-related license revocation from another state;

(2) a violation of section 169.129; and

(3) a violation of section 171.24 by a person whose driver's license or driving privileges have been canceled under section 171.04, clause (8).

Sec. 2. Minnesota Statutes 1990, section 168.042, subdivision 2, is amended to read:

Subd. 2. [VIOLATION; ISSUANCE OF IMPOUNDMENT ORDER.] The commissioner shall issue a registration plate impoundment order when:

(1) a person's driver's license or driving privileges are revoked for a third violation, as defined in subdivision 1, paragraph (c), clause (1), within five years or a fourth or subsequent violation, as defined in subdivision 1, paragraph (c), clause (1), within ten 15 years; or

(2) a person is arrested for or charged with a violation described in subdivision 1, paragraph (c), clause (2) or (3). The order shall require the impoundment of the registration plates of the vehicle involved in the violation and all vehicles owned by, registered, or leased in the name of the violator, including vehicles registered jointly or leased in the name of the violator and another. An impoundment order shall not be issued for the registration plates of a rental vehicle as defined in section 168.041, subdivision 10, or a vehicle registered in another state.

Sec. 3. Minnesota Statutes 1990, section 168.042, subdivision 4, is amended to read:

Subd. 4. [PEACE OFFICER AS AGENT FOR NOTICE OF IMPOUNDMENT.] (a) On behalf of the commissioner, a peace officer issuing a notice of intent to revoke and of revocation under section 169.123 shall also serve a notice of intent to impound and an order of impoundment if the violation is the third violation, as defined in subdivision 1, paragraph (c), clause (1), within five years or the fourth or subsequent violation, as defined in subdivision 1, paragraph (c), clause (1), within ~~ten~~ 15 years. On behalf of the commissioner, a peace officer who is arresting a person for or charging a person with a violation described in subdivision 1, paragraph (c), clause (2) or (3), shall also serve a notice of intent to impound and an order of impoundment. If the vehicle involved in the violation is accessible to the officer at the time the impoundment order is issued, the officer shall seize the registration plates subject to the impoundment order. The officer shall destroy all plates seized or impounded under this section. The officer shall send to the commissioner copies of the notice of intent to impound and the order of impoundment and a notice that registration plates impounded and seized under this section have been destroyed.

Sec. 4. Minnesota Statutes 1990, section 168.042, subdivision 10, is amended to read:

Subd. 10. [PETITION FOR JUDICIAL REVIEW.] (a) Within 30 days following receipt of a notice and order of impoundment under this section, a person may petition the court for review. The petition must include the petitioner's date of birth, driver's license number, and date of the violation. The petition shall state with specificity the grounds upon which the petitioner seeks rescission of the order for impoundment. The petition may be combined with any petition filed under section 169.123, subdivision 5c.

(b) Except as otherwise provided in this section, the judicial review and hearing are governed by section 169.123, subdivisions 5c and 6, and shall take place at the same time as any judicial review of the person's license revocation under section 169.123. The filing of the petition shall not stay the impoundment order. The reviewing court may order a stay of the balance of the impoundment period if the hearing has not been conducted within 60 days after filing of the petition upon terms the court deems proper. The court shall order either that the impoundment be rescinded or sustained, and forward the order to the commissioner of public safety. The court shall file its order within 14 days following the hearing.

(c) In addition to the issues described in section 169.123, subdivision ~~5e~~ 6, the scope of a hearing under this subdivision is limited to:



(1) whether the violator owns, is the registered owner of, possesses, or has access to the vehicle used in the violation; and

(2) whether a member of the violator's household has a valid driver's license, the violator or registered owner has a limited license issued under section 171.30, the registered owner is not the violator and the registered owner has a valid or limited driver's license, or a member of the registered owner's household has a valid driver's license; and

(3) if the impoundment is based on a violation described in subdivision 1, paragraph (c), clause (2) or (3), whether the peace officer had probable cause to believe the violator committed the violation and whether the evidence demonstrates that the violation occurred.

(d) In a hearing under this subdivision, the following shall be admissible in evidence:

(1) certified copies of the violator's driving record; and

(2) certified copies of vehicle registration records bearing the violator's name.

Sec. 5. Minnesota Statutes 1990, section 168.042, subdivision 11, is amended to read:

Subd. 11. [RESCISSION OF REVOCATION AND; DISMISSAL OF CHARGES OR ACQUITTAL; ISSUANCE OF NEW PLATES.] If the driver's license revocation that is the basis for an impoundment order is rescinded, the registrar of motor vehicles shall issue new registration plates for the vehicle at no cost, when the registrar receives an application that includes a copy of the order rescinding the driver's license revocation. If the impoundment order was based on a violation described in subdivision 1, paragraph (c), clause (2) or (3), and the charges have been dismissed with prejudice or the violator has been acquitted of the violation, the registrar of motor vehicles shall issue new registration plates for the vehicle at no cost, when the registrar receives an application that includes a copy of the order dismissing the charges or a copy of the judgment of acquittal.

Sec. 6. Minnesota Statutes 1990, section 169.121, subdivision 1a, is amended to read:

Subd. 1a. [REFUSAL TO SUBMIT TO TESTING; CRIME.] It is a crime for any person to refuse to submit to a chemical test of the person's blood, breath, or urine under section 169.123 if the person's driver's license has been suspended, revoked, canceled, or denied once within the past five years, or two or more times within the past ten years, under any of the following: ~~this section or section 169.123;~~

~~section 171.04, 171.14, 171.16, 171.17, or 171.18 because of an alcohol-related incident; section 609.21, subdivision 1, clause (2) or (3); 609.21, subdivision 2, clause (2) or (3); 609.21, subdivision 3, clause (2) or (3); or 609.21, subdivision 4, clause (2) or (3).~~

Sec. 7. Minnesota Statutes 1990, section 169.121, subdivision 3, is amended to read:

Subd. 3. [CRIMINAL PENALTIES.] (a) As used in this subdivision:

(1) “prior driving under the influence conviction” means a prior conviction under this section; section 169.129; or 609.21, subdivision 1, clauses (2) to (4); 2, clauses (2) to (4); 2a, clauses (2) to (4); 3, clauses (2) to (4); or 4, clauses (2) to (4); or an ordinance from this state, or a statute or ordinance from another state in conformity with any of them. A prior driving under the influence conviction also includes a prior juvenile adjudication that would have been a prior driving under the influence conviction if committed by an adult;

(2) “prior impaired driving conviction” means a prior conviction under this section; section 84.91, subdivision 1, paragraph (a); 86B.331, subdivision 1, paragraph (a); 169.129; 360.0752; or 609.21, subdivision 1, clauses (2) to (4); 2, clauses (2) to (4); 2a, clauses (2) to (4); 3, clauses (2) to (4); or 4, clauses (2) to (4); or an ordinance from this state, or a statute or ordinance from another state in conformity with any of them. A prior impaired driving conviction also includes a prior juvenile adjudication that would have been a prior impaired driving conviction if committed by an adult; and

(3) “prior license revocation” means a driver’s license suspension, revocation, or cancellation under: this section; section 169.123; 171.04; 171.14; 171.16; 171.17; or 171.18 because of an alcohol-related incident; 609.21, subdivision 1, clauses (2) to (4); 2, clauses (2) to (4); 2a, clauses (2) to (4); 3, clauses (2) to (4); or 4, clauses (2) to (4).

(b) A person who violates subdivision 1 or 1a, or an ordinance in conformity with ~~it~~ either of them, is guilty of a misdemeanor.

~~(b)~~ (c) A person is guilty of a gross misdemeanor who under any of the following circumstances:

(1) the person violates subdivision 1 or an ordinance in conformity with ~~it~~ within five years of a prior impaired driving conviction, or within ten years of the first of two or more prior impaired driving convictions;

For purposes of this paragraph, a prior impaired driving conviction is a prior conviction under this section; section 84.91, subdivi-

sion 1, paragraph (a), 169.129, 360.0752, 361.12, subdivision 1, paragraph (a), 609.21, subdivision 1, clause (2) or (3), 609.21, subdivision 2, clause (2) or (3), 609.21, subdivision 3, clause (2) or (3), 609.21, subdivision 4, clause (2) or (3), or an ordinance from this state, or a statute or ordinance from another state in conformity with any of them. A prior impaired driving conviction also includes a prior juvenile adjudication that would have been a prior impaired driving conviction if committed by an adult.

(e) A person who violates subdivision 1a is guilty of a gross misdemeanor.

(2) the person violates subdivision 1a within five years of a prior license revocation, or within ten years of the first of two or more prior license revocations; or

(3) the person violates section 169.26 while in violation of subdivision 1.

(d) A person is guilty of a felony and may be sentenced to imprisonment for not more than five years or to payment of a fine of not more than \$10,000, or both, under any of the following circumstances:

(1) the person violates subdivision 1 or 1a:

(i) within five years of four prior driving under the influence convictions or four prior license revocations based on separate incidents; or

(ii) within 15 years of the first of five or more prior driving under the influence convictions or the first of five or more prior license revocations based on separate incidents; or

(2) the person violates subdivision 1 or 1a within ten years of a prior conviction under section 169.09, 609.21, or 609.487, and the person either was sentenced to a stayed or executed felony sentence for the prior offense or pled guilty to an offense for which a felony sentence could have been imposed.

(e) The attorney in the jurisdiction in which the violation occurred who is responsible for prosecution of misdemeanor violations of this section shall also be responsible for prosecution of gross misdemeanor violations of this section.

When an attorney responsible for prosecuting gross misdemeanors under this section requests criminal history information relating to prior impaired driving convictions from a court, the court must furnish the information without charge.

(e) A person is guilty of a gross misdemeanor if the person violates section 169.26 while in violation of subdivision 1.

Sec. 8. Minnesota Statutes 1990, section 169.121, subdivision 3a, is amended to read:

Subd. 3a. [HABITUAL OFFENDER PENALTIES.] (a) If a person has been convicted under this section, section 169.129, an ordinance in conformity with either of them, or a statute or ordinance from another state in conformity with either of them, and if the person is then convicted of ~~violating a gross misdemeanor violation of this section, a violation of section 169.129, or an ordinance in conformity with it~~ either of them (1) once within five years after the first conviction or (2) two or more times within ten years after the first conviction, the person must be sentenced to a minimum of 30 days imprisonment or to eight hours of community work service for each day less than 30 days that the person is ordered to serve in jail. Notwithstanding section 609.135, the above sentence must be executed, unless the court departs from the mandatory minimum sentence under paragraph (b) or (c).

(b) Prior to sentencing the prosecutor may file a motion to have the defendant sentenced without regard to the mandatory minimum sentence established by this subdivision. The motion must be accompanied by a statement on the record of the reasons for it. When presented with the prosecutor's motion and if it finds that substantial mitigating factors exist, the court shall sentence the defendant without regard to the mandatory minimum term of imprisonment established by this subdivision.

(c) The court may, on its own motion, sentence the defendant without regard to the mandatory minimum term of imprisonment established by this subdivision if it finds that substantial mitigating factors exist and if its sentencing departure is accompanied by a statement on the record of the reasons for it.

(d) When any portion of the sentence required by this subdivision is not executed, the court should impose a sentence that is proportional to the extent of the offender's prior criminal and moving traffic violation record.

Sec. 9. Minnesota Statutes 1990, section 169.121, subdivision 3b, is amended to read:

Subd. 3b. [HABITUAL OFFENDERS; CHEMICAL USE ASSESSMENT.] If a person has been convicted under subdivision 1, 1a, section 169.129, an ordinance in conformity with ~~either any~~ any of them, or a statute or ordinance from another state in conformity with ~~either any~~ any of them, and if the person is then convicted of violating subdivision 1, 1a, section 169.129, or an ordinance in conformity with ~~either any~~ any of them (1) once within five years of the first

conviction or (2) two or more times within ten years after the first conviction, the court must order the person to submit to the level of care recommended in the chemical use assessment required under section 169.126.

~~If a person is convicted under section 169.121, subdivision 1a, the court shall order the person to submit to the level of care recommended in the chemical use assessment report required under section 169.126.~~

Sec. 10. Minnesota Statutes 1990, section 169.121, subdivision 3c, is amended to read:

Subd. 3c. [NOTICE OF ENHANCED PENALTIES.] When a court sentences a person for a misdemeanor or gross misdemeanor violation of this section, it shall inform the defendant of the statutory provisions that provide for enhancement of criminal penalties for repeat violators. The failure of a court to provide this information to a defendant does not affect the future applicability of these enhanced penalties to that defendant.

Sec. 11. Minnesota Statutes 1990, section 169.121, subdivision 4, is amended to read:

Subd. 4. [ADMINISTRATIVE PENALTIES.] (a) The commissioner of public safety shall revoke the driver's license of a person convicted of violating this section or an ordinance in conformity with it as follows:

(a) (1) First offense under subdivision 1: not less than 30 days;

(2) First offense under subdivision 1a: not less than 90 days;

(b) (3) Second offense in less than five years:

(i) if the current conviction is for a violation of subdivision 1, not less than 90 180 days and until the court has certified that treatment or rehabilitation has been successfully completed where prescribed in accordance with section 169.126; or

(ii) if the current conviction is for a violation of subdivision 1a, not less than one year and until the court has certified that treatment or rehabilitation has been successfully completed where prescribed in accordance with section 169.126;

(e) (4) Third offense in less than five years: not less than one year, together with denial under section 171.04, clause (8), until rehabilitation is established in accordance with standards established by the commissioner;

(d) (5) Fourth or subsequent offense on the record: not less than two years, together with denial under section 171.04, clause (8), until rehabilitation is established in accordance with standards established by the commissioner.

(b) If the person convicted of violating this section is under the age of 18 years, the commissioner of public safety shall revoke the offender's driver's license or operating privileges until the offender reaches the age of 18 years or for a period of six months or for the appropriate period of time under paragraph (a), clauses ~~(a)~~ (1) to (d) (5) for the offense committed, whichever is the greatest period.

(c) For purposes of this subdivision, a juvenile adjudication under this section, section 169.129, an ordinance in conformity with either of them, or a statute or ordinance from another state in conformity with either of them is an offense.

(d) Whenever department records show that the violation involved personal injury or death to any person, not less than 90 additional days shall be added to the base periods provided above.

(e) Any person whose license has been revoked pursuant to section 169.123 as the result of the same incident is ~~not~~ subject to the mandatory revocation provisions of clause paragraph (a) or (b), clause (1) or (2) in lieu of the mandatory revocation provisions of section 169.123.

Sec. 12. Minnesota Statutes 1990, section 169.121, subdivision 5, is amended to read:

Subd. 5. Except as otherwise provided in subdivision 3b, when a court sentences a person convicted of violating a misdemeanor or gross misdemeanor violation of this section, section 169.129, or an ordinance in conformity with either of them, the court may stay imposition or execution of any sentence authorized by subdivision 3 or 4, except the revocation of the driver's license, on the condition that the convicted person submit to the level of care recommended in the chemical use assessment report required under section 169.126. If the court does not order a level of care in accordance with the assessment report recommendation as a condition of a stay of imposition or execution, it shall state on the record its reasons for not following the assessment report recommendation. A stay of imposition or execution shall be in the manner provided in section 609.135. The court shall report to the commissioner of public safety any stay of imposition or execution of sentence granted under the provisions of this section.

Sec. 13. Minnesota Statutes 1991 Supplement, section 169.121, subdivision 5a, is amended to read:

Subd. 5a. [CHEMICAL DEPENDENCY ASSESSMENT CHARGE, SURCHARGE.] When a court sentences a person convicted of an offense enumerated in section 169.126, subdivision 1, it shall impose a chemical dependency assessment charge of ~~\$76~~ \$120. A person shall pay an additional surcharge of \$5 if the person is convicted of (i) a violation of section 169.129, or (ii) a violation of this section within five years of a prior impaired driving conviction, as defined in subdivision 3, or a prior conviction for an offense arising out of an arrest for a violation of section 169.121 or 169.129. This section applies when the sentence is executed, stayed, or suspended. The court may not waive payment or authorize payment of the assessment charge and surcharge in installments unless it makes written findings on the record that the convicted person is indigent or that the assessment charge and surcharge would create undue hardship for the convicted person or that person's immediate family.

The court county shall collect and forward to the commissioner of finance the total amount \$20 of the chemical dependency assessment charge and the \$5 surcharge, if imposed, within 60 days after sentencing or explain to the commissioner in writing why the money was not forwarded within this time period. The commissioner shall credit the money to the general fund. The county shall collect and keep \$100 of the chemical dependency assessment charge and use it to pay for the chemical dependency assessment and report.

The chemical dependency assessment charge and surcharge required under this section are in addition to the surcharge required by section 609.101.

Sec. 14. [169.1216] [IMPOUNDMENT OF MOTOR VEHICLES UNDER LOCAL ORDINANCE; PREREQUISITES TO REDEMPTION.]

Subdivision 1. [DEFINITION.] As used in this section, "impoundment" means the removal of a motor vehicle, as defined in section 169.121, subdivision 11, to a storage facility or impound lot as authorized by a local ordinance.

Subd. 2. [REDEMPTION; PREREQUISITES.] If a motor vehicle is impounded by a peace officer following the arrest or taking into custody of a driver for a violation of section 169.121, an ordinance in conformity with it, or 169.129, the impounded vehicle shall only be released from impoundment:

(1) to the registered owner, a person authorized by the registered owner, a lienholder of record, or a person who has purchased the vehicle from the registered owner, who provides both proof of ownership of the vehicle and proof of insurance required by law to cover the vehicle; or

(2) if the vehicle is subject to a rental or lease agreement, to a

renter or lessee who provides a copy of the rental or lease agreement and proof of insurance required by law to cover the vehicle.

Subd. 3. [TO WHOM INFORMATION PROVIDED.] The proof of ownership and insurance or, where applicable, the copy of the rental or lease agreement required by subdivision 2 shall be provided to the law enforcement agency impounding the vehicle or to a person or entity designated by the law enforcement agency to receive the information.

Subd. 4. [LIABILITY FOR STORAGE COSTS.] No law enforcement agency, local unit of government, or state agency is responsible or financially liable for any storage fees incurred due to an impoundment under this section.

Sec. 15. [169.1217] [FORFEITURE OF MOTOR VEHICLES USED TO COMMIT CERTAIN TRAFFIC OFFENSES.]

Subdivision 1. [DEFINITIONS.] As used in this section, the following terms have the meanings given them:

(a) “Appropriate authority” means a law enforcement agency that has the authority to make an arrest for a violation of a designated offense.

(b) “Designated offense” includes a violation of section 169.121, an ordinance in conformity with it, or 169.129:

(1) within five years of three prior driving under the influence convictions or three prior license revocations based on separate incidents;

(2) within 15 years of the first of four or more prior driving under the influence convictions or the first of four or more prior license revocations based on separate incidents;

(3) by a person whose driver’s license or driving privileges have been canceled under section 171.04, clause (8); or

(4) by a person who is subject to a restriction on the person’s driver’s license under section 171.09 which provides that the person may not use or consume any amount of alcohol or a controlled substance.

(c) “Motor vehicle” and “vehicle” have the meaning given “motor vehicle” in section 169.121, subdivision 11. The terms do not include a vehicle which is stolen or taken in violation of the law.

(d) “Owner” means the registered owner of the motor vehicle according to records of the department of public safety and includes



a lessee of a motor vehicle if the lease agreement has a term of 180 days or more.

(e) "Prior driving under the influence conviction" has the meaning given the phrase in section 169.121, subdivision 3.

(f) "Prior license revocation" has the meaning given the phrase in section 169.121, subdivision 3.

(g) "Prosecuting authority" means the attorney in the jurisdiction in which the designated offense occurred who is responsible for prosecuting violations of a designated offense.

Subd. 2. [SEIZURE.] A motor vehicle subject to forfeiture under this section may be seized by the appropriate agency upon process issued by any court having jurisdiction over the vehicle. Property may be seized without process if:

(1) the seizure is incident to a lawful arrest or a lawful search;

(2) the vehicle subject to seizure has been the subject of a prior judgment in favor of the state in a criminal injunction or forfeiture proceeding under this section; or

(3) the appropriate agency has probable cause to believe that the delay occasioned by the necessity to obtain process would result in the removal or destruction of the vehicle. If property is seized without process under this clause, the prosecuting authority must institute a forfeiture action under this section as soon as is reasonably possible.

Subd. 3. [RIGHT TO POSSESSION VESTS IMMEDIATELY; CUSTODY OF SEIZED VEHICLE.] All right, title, and interest in a vehicle subject to forfeiture under this section vests in the appropriate agency upon commission of the designated offense giving rise to the forfeiture. Any vehicle seized under this section is not subject to replevin, but is deemed to be in the custody of the appropriate agency subject to the orders and decrees of the court having jurisdiction over the forfeiture proceedings. When a vehicle is so seized, the appropriate agency may:

(1) place the vehicle under seal;

(2) remove the vehicle to a place designated by it; and

(3) take other steps reasonable and necessary to secure the vehicle and prevent waste.

Subd. 4. [BOND BY OWNER FOR POSSESSION.] If the owner of a vehicle that has been seized under this section seeks possession of

the vehicle before the forfeiture action is determined, the owner may, subject to the approval of the appropriate agency, give security or post bond payable to the appropriate agency in an amount equal to the retail value of the seized vehicle. On posting the security or bond, the seized vehicle must be returned to the owner and the forfeiture action shall proceed against the security as if it were the seized vehicle.

Subd. 5. [FORFEITURE; A CIVIL PROCEDURE.] (a) An action for forfeiture is a civil in rem action and is independent of any criminal prosecution, except as provided in this subdivision. The appropriate agency handling the forfeiture has the benefit of the evidentiary presumption of subdivision 9, but otherwise bears the burden of proving the act or omission giving rise to the forfeiture by clear and convincing evidence. Certified copies of motor vehicle records concerning prior license revocations are admissible as substantive evidence where necessary to prove the commission of a designated offense.

(b) A court may not issue an order of forfeiture under this section while the alleged owner of the property is in custody and related criminal proceedings are pending against the alleged owner.

Subd. 6. [MOTOR VEHICLES SUBJECT TO FORFEITURE.] A motor vehicle is subject to forfeiture under this section if it was used in the commission of a designated offense.

Subd. 7. [LIMITATIONS ON FORFEITURE OF MOTOR VEHICLES.] (a) A vehicle is subject to forfeiture under this section only if the owner committed the designated offense upon which the forfeiture is based, or the owner was a passenger in the vehicle at the time the designated offense was committed.

(b) A vehicle encumbered by a bona fide security interest or subject to a lease that has a term of 180 days or more, is subject to the interest of the secured party or lessor unless the party or lessor had knowledge of or consented to the act upon which the forfeiture is based.

(c) Notwithstanding paragraph (b), a vehicle is not subject to forfeiture based solely on the secured party's or lessor's knowledge of the act or omission upon which the forfeiture is based if the secured party or lessor took reasonable steps to terminate use of the vehicle by the offender.

Subd. 8. [FORFEITURE BY JUDICIAL ACTION; PROCEDURE.] The forfeiture of a vehicle by judicial action is governed by this subdivision. A separate complaint must be filed against the vehicle stating the act giving rise to the forfeiture and the date and place of the act. The prosecuting authority shall notify the owner or possessor of the vehicle of the action, if known or readily ascertainable.

The action must be captioned in the name of the prosecuting authority or the authority's designee as plaintiff and the vehicle as defendant.

Subd. 9. [ADMINISTRATIVE FORFEITURE PROCEDURE.] (a) When an appropriate authority makes an arrest or issues a citation for a designated offense, the motor vehicle used to commit the offense is presumed to be subject to forfeiture under this subdivision if the owner is the person alleged to have committed the offense or was a passenger in the vehicle at the time of the offense. The appropriate authority may seize the motor vehicle and give the offender a notice of intent to forfeit the vehicle. The appropriate authority shall also give the notice within ten days to all persons known to have an ownership or possessory interest in the vehicle. Notice mailed by certified mail to the address shown in department of public safety records is deemed sufficient notice to the registered owner of the vehicle.

(b) Notice may otherwise be given in the manner provided by law for service of a summons in a civil action. The notice must be in writing and contain:

(1) a description of the vehicle seized;

(2) the date of seizure; and

(3) notice of the right to obtain judicial review of the forfeiture and of the procedure for obtaining that judicial review, printed in English, Hmong, and Spanish. Substantially, the following language must appear conspicuously: "IF YOU DO NOT DEMAND JUDICIAL REVIEW EXACTLY AS PRESCRIBED IN MINNESOTA STATUTES, SECTION 169.1217, SUBDIVISION 9, PARAGRAPH (C), YOU LOSE THE RIGHT TO A JUDICIAL DETERMINATION OF THIS FORFEITURE AND YOU LOSE ANY RIGHT YOU MAY HAVE TO THE ABOVE DESCRIBED VEHICLE. YOU MAY NOT HAVE TO PAY THE FILING FEE FOR THE DEMAND IF IT IS DETERMINED YOU ARE UNABLE TO AFFORD THE FEE. YOU DO NOT HAVE TO PAY THE FILING FEE IF THE PROPERTY IS WORTH LESS THAN \$500 AND YOU FILE YOUR CLAIM IN CONCILIATION COURT."

(c) Within 30 days following service of a notice of intent to forfeit under this subdivision, a claimant may file a demand for a judicial determination of the forfeiture. The demand must be in the form of a civil complaint and must be filed with the court administrator in the county in which the seizure occurred, together with proof of service of a copy of the complaint on the prosecuting authority, and the standard filing fee for civil actions unless the petitioner has the right to sue in forma pauperis under section 563.01. If the value of the seized vehicle is less than \$500, the claimant may file an action in conciliation court for recovery of the seized vehicle without paying

the conciliation court filing fee. No responsive pleading is required of the prosecuting authority and no court fees may be charged for the prosecuting authority's appearance in the matter. The proceedings are governed by the rules of civil procedure.

(d) The complaint must be captioned in the name of the claimant as plaintiff, the seized vehicle as defendant, must state with specificity the grounds on which the claimant alleges the vehicle was improperly seized, and must state the plaintiff's interest in the vehicle seized. Notwithstanding any law to the contrary, an action for the return of a vehicle seized under this section may not be maintained by or on behalf of any person who has been served with a notice of seizure and forfeiture unless the person has complied with this subdivision.

(e) If the claimant makes a timely demand for judicial determination under this subdivision, the appropriate agency must conduct the forfeiture under subdivision 8.

(f) If a demand for judicial determination of an administrative forfeiture is filed under this subdivision and the court orders the return of the seized vehicle, the court shall order that filing fees be reimbursed to the person who filed the demand. In addition, the court may order the appropriate authority to pay reasonable costs, expenses, and attorney fees under section 549.21, subdivision 2.

Subd. 10. [DISPOSITION OF FORFEITED VEHICLES.] (a) If the court finds under subdivision 8 or 9 that the vehicle is subject to forfeiture, it shall order the appropriate agency to:

(1) sell the vehicle and distribute the proceeds under paragraph (c); or

(2) keep the vehicle for official use.

(b) If property is forfeited administratively under subdivision 9 and no demand for judicial determination is made, the appropriate agency may dispose of the property as provided in paragraph (a) without a court order.

(c) The proceeds from the sale of forfeited vehicles, after payment of seizure, storage, forfeiture, and sale expenses, and satisfaction of valid liens against the property, must be forwarded to the treasury of the political subdivision that employs the prosecuting authority responsible for the forfeiture for use in enforcing and prosecuting violations of the driving while under the influence laws.

Sec. 16. Minnesota Statutes 1991 Supplement, section 169.123, subdivision 2, is amended to read:

Subd. 2. [IMPLIED CONSENT; CONDITIONS; ELECTION OF TEST.] (a) Any person who drives, operates, or is in physical control of a motor vehicle within this state or upon the ice of any boundary water of this state consents, subject to the provisions of this section and section 169.121, to a chemical test of that person's blood, breath, or urine for the purpose of determining the presence of alcohol or a controlled substance. The test shall be administered at the direction of a peace officer. The test may be required of a person when an officer has probable cause to believe the person was driving, operating, or in physical control of a motor vehicle in violation of section 169.121 and one of the following conditions exist:

(1) the person has been lawfully placed under arrest for violation of section 169.121, or an ordinance in conformity with it;

(2) the person has been involved in a motor vehicle accident or collision resulting in property damage, personal injury, or death;

(3) the person has refused to take the screening test provided for by section 169.121, subdivision 6; or

(4) the screening test was administered and ~~recorded~~ indicated an alcohol concentration of 0.10 or more.

The test may also be required of a person when an officer has probable cause to believe the person was driving, operating, or in physical control of a commercial motor vehicle with the presence of any alcohol.

(b) At the time a test is requested, the person shall be informed:

(1) that Minnesota law requires the person to take a test to determine if the person is under the influence of alcohol or a controlled substance or, if the motor vehicle was a commercial motor vehicle, that Minnesota law requires the person to take a test to determine the presence of alcohol;

(2) that if testing is refused, the person's right to drive will be revoked for a minimum period of one year or, if the person is under the age of 18 years, for a period of one year or until the person reaches the age of 18 years, whichever is greater and, if the vehicle was a commercial motor vehicle, that the person will be disqualified from operating a commercial motor vehicle for a minimum period of one year;

(3) that if a test is taken and the results indicate an alcohol concentration of 0.10 or more, the person's right to drive will be revoked for a minimum period of 90 days or, if the person is under the age of 18 years, for a period of six months or until the person reaches the age of 18 years, whichever is greater, and, if the vehicle

was a commercial motor vehicle, that if the test results indicate the presence of any alcohol, the person will be prohibited from operating a commercial motor vehicle for 24 hours from issuance of an out-of-service order, and if the results indicate an alcohol concentration of 0.04 or more, the person will be disqualified from operating a commercial motor vehicle for a minimum period of one year;

(4) that whether a test is taken or refused, the person may be subject to criminal prosecution for an alcohol or controlled substance related driving offense;

(5) (3) that if testing is refused and the person's right to drive has been revoked once within the past five years or two or more times within the past ten years for an alcohol or controlled substance related driving offense, the person may be subject to criminal prosecution because the person refused testing;

(6) (4) that after submitting to testing, the person has the right to have additional tests made by someone of the person's own choosing;

(5) if the peace officer has probable cause to believe the person has violated section 609.21, that a test will be taken with or without the person's consent; and

(6) that after submitting to testing, the person has the right to consult with an attorney and to have additional tests made by someone of the person's own choosing; and

(7) that if the person refuses to take a test, the refusal may be offered into evidence against the person at trial, but that this right is limited to the extent that it cannot unreasonably delay administration of the test.

(c) The peace officer who requires a test pursuant to this subdivision may direct whether the test shall be of blood, breath, or urine. Action may be taken against a person who refuses to take a blood test only if an alternative test was offered and action may be taken against a person who refuses to take a urine test only if an alternative test was offered.

Sec. 17. Minnesota Statutes 1990, section 169.123, subdivision 4, is amended to read:

Subd. 4. [REFUSAL; REVOCATION OF LICENSE.] If a person refuses to permit a test, none shall be given, but the peace officer shall report the refusal to the commissioner of public safety and the authority having responsibility for prosecution of misdemeanor offenses for the jurisdiction in which the acts occurred. However, if a peace officer has probable cause to believe that the person has violated section 609.21, a test may be required and obtained despite

the person's refusal. A refusal to submit to an alcohol concentration test does not constitute a violation of section 609.50, unless the refusal was accompanied by force or violence or the threat of force or violence. If a person submits to a test and the test results indicate an alcohol concentration of 0.10 or more, or if a person was driving, operating, or in physical control of a commercial motor vehicle and the test results indicate an alcohol concentration of 0.04 or more, the results of the test shall be reported to the commissioner of public safety and to the authority having responsibility for prosecution of misdemeanor offenses for the jurisdiction in which the acts occurred.

Upon certification by the peace officer that there existed probable cause to believe the person had been driving, operating, or in physical control of a motor vehicle while under the influence of alcohol or a controlled substance and that the person refused to submit to a test, the commissioner of public safety shall revoke the person's license or permit to drive, or nonresident operating privilege, for a period of one year even if a test was obtained pursuant to this section after the person refused to submit to testing. Upon certification by the peace officer that there existed probable cause to believe the person had been driving, operating, or in physical control of a commercial motor vehicle with the presence of any alcohol and that the person refused to submit to a test, the commissioner shall disqualify the person from operating a commercial motor vehicle for a period of one year under section 171.165 and shall revoke the person's license or permit to drive or nonresident operating privilege for a period of one year. If the person refusing to submit to testing is under the age of 18 years, the commissioner shall revoke the person's license or permit to drive, or nonresident operating privilege, for a period of one year or until the person reaches the age of 18 years, whichever is greater. Upon certification by the peace officer that there existed probable cause to believe the person had been driving, operating or in physical control of a motor vehicle while under the influence of alcohol or a controlled substance and that the person submitted to a test and the test results indicate an alcohol concentration of 0.10 or more, the commissioner of public safety shall revoke the person's license or permit to drive, or nonresident operating privilege, for:

- (1) a period of 90 days; or,
- (2) if the person is under the age of 18 years, for a period of six months or until the person reaches the age of 18 years, whichever is greater; or
- (3) if the person's driver's license or driving privileges have been revoked within the past five years under this section or section 169.121, for a period of 180 days.

On certification by the peace officer that there existed probable cause to believe the person had been driving, operating, or in

physical control of a commercial motor vehicle with any presence of alcohol and that the person submitted to a test and the test results indicated an alcohol concentration of 0.04 or more, the commissioner of public safety shall disqualify the person from operating a commercial motor vehicle under section 171.165.

If the person is a resident without a license or permit to operate a motor vehicle in this state, the commissioner of public safety shall deny to the person the issuance of a license or permit for the same period after the date of the alleged violation as provided herein for revocation, subject to review as hereinafter provided.

Sec. 18. Minnesota Statutes 1990, section 169.126, subdivision 1, is amended to read:

Subdivision 1. [CHEMICAL USE ASSESSMENT.] A chemical use assessment shall be conducted and an assessment report submitted to the court and to the department of public safety by the county agency administering the alcohol safety program when:

(a) The defendant is convicted of an offense described in section 169.121 or 169.129; or

(b) The defendant is arrested for committing an offense described in section 169.121 or 169.129 but is convicted of another offense arising out of the circumstances surrounding the arrest.

Sec. 19. Minnesota Statutes 1991 Supplement, section 169.126, subdivision 2, is amended to read:

Subd. 2. [REPORT.] (a) The assessment report shall be on a form prescribed by the commissioner of public safety and shall contain an evaluation of the convicted defendant concerning the defendant's prior traffic record, characteristics and history of alcohol and chemical use problems, and amenability to rehabilitation through the alcohol safety program. The report shall be classified as private data on individuals as defined in section 13.02, subdivision 12.

(b) The assessment report must include:

(1) a recommended level of care for the offender in accordance with the criteria contained in rules adopted by the commissioner of human services under section 254A.03, subdivision 3;

(2) recommendations for other appropriate remedial action or care, that may consist of educational programs, one-on-one counseling, a program or type of treatment that addresses mental health concerns, or a combination of them; or



(3) a specific explanation why no level of care or action was recommended.

Sec. 20. Minnesota Statutes 1990, section 169.126, subdivision 4c, is amended to read:

Subd. 4c. [REIMBURSEMENT FOR INDIGENTS AND CASES OF UNDUE HARDSHIP.] The commissioner of public safety shall reimburse the county for the cost of each assessment and report at a rate established by the commissioner for cases where the court has determined according to section 169.121, subdivision 5a, that the county may not impose a chemical dependency assessment charge and surcharge because the convicted person is indigent or because the assessment charge and surcharge would create undue hardship. The county may not be reimbursed for the cost of any assessment or report not completed within the time limit provided in subdivision 4. Reimbursement to the county must be made from the general fund. The commissioner of public safety shall adopt rules under chapter 14 providing for the reimbursement of counties for assessments conducted under this ~~section~~ subdivision.

Sec. 21. Minnesota Statutes 1991 Supplement, section 169.1265, subdivision 3, is amended to read:

Subd. 3. [PROGRAM ELEMENTS.] To be considered for a grant under this section, a county program must contain the following elements:

(1) an initial assessment of the offender's chemical dependency, with recommended treatment and aftercare;

(2) several stages of probation supervision, including:

(i) a period of ~~at least 30 days'~~ incarceration in a local or regional detention facility;

(ii) a period during which an offender is, at all times, either working, on home detention, being supervised at a program facility, or traveling between two of these locations;

(iii) a period of home detention; and

(iv) a period of gradually decreasing involvement with the program;

(3) decreasing levels of intensity and contact with probation officials based on the offender's successful participation in the program and compliance with its rules;

(4) a provision for increasing the severity of the program's requirements when an offender offends again or violates the program's rules;

(5) a provision for offenders to continue or seek employment during their period of intensive probation;

(6) a requirement that offenders abstain from alcohol and controlled substances during the probation period; and

(7) a requirement that all or a substantial part of the costs of the program be paid by the offenders.

Sec. 22. Minnesota Statutes 1990, section 169.129, is amended to read:

169.129 [AGGRAVATED VIOLATIONS; PENALTY.]

Subdivision 1. [CRIME.] It is a crime for any person is guilty of a gross misdemeanor who drives, operates, or is to drive, operate, or be in physical control of a motor vehicle, the operation of which requires a driver's license, within this state or upon the ice of any boundary water of this state in violation of section 169.121 or an ordinance in conformity with it before the person's driver's license or driver's privilege has been reinstated following its cancellation, suspension, revocation, or denial under any of the following: section 169.121 or 169.123; section 171.04, 171.14, 171.16, 171.17, or 171.18 because of an alcohol-related incident; section 609.21, subdivision 1, clause clauses (2) or (3) to (4); 609.21, subdivision 2, clause clauses (2) or (3) to (4); 609.21, subdivision 2a, clauses (2) to (4); 3, clause clauses (2) or (3) to (4); or 609.21, subdivision 4, clause clauses (2) or (3) to (4). Jurisdiction over prosecutions under this section is in the county court.

Subd. 2. [PENALTIES.] (a) Except as otherwise provided in paragraph (b), a person who violates subdivision 1 is guilty of a gross misdemeanor.

(b) A person is guilty of a felony and may be sentenced to imprisonment for not more than five years or to payment of a fine of not more than \$10,000, or both, if:

(1) the person violates subdivision 1; and

(2) the person's driver's license or driving privilege has been canceled, suspended, revoked, or denied four times within the past five years or more than four times within the past 15 years under any of the statutes listed in subdivision 1.

Sec. 23. [169.1291] [COMMISSIONER OF PUBLIC SAFETY; REPORT TO THE LEGISLATURE.]

The commissioner of public safety shall annually report statistical information from the preceding year on alcohol-related driving incidents in Minnesota to the house and senate judiciary committees. The report shall also contain information relating to the enforcement of the driving while under the influence laws that the commissioner deems relevant including, where feasible, comparison of current statistics with the statistics from previous years.

The commissioner may file this report separately or may include the information within any other annual report to the legislature that the commissioner is otherwise required to file.

Sec. 24. Minnesota Statutes 1990, section 171.04, subdivision 1, is amended to read:

Subdivision 1. [PERSONS NOT ELIGIBLE.] The department shall not issue a driver's license hereunder:

(1) To any person who is under the age of 16 years; to any person under 18 years unless such person shall have successfully completed a course in driver education, including both classroom and behind-the-wheel instruction, approved by the state board of education for courses offered through the public schools, or, in the case of a course offered by a private, commercial driver education school or institute, by the department of public safety; except when such person has completed a course of driver education in another state or has a previously issued valid license from another state or country; nor to any person under 18 years unless the application of license is approved by either parent when both reside in the same household as the minor applicant, otherwise the parent or spouse of the parent having custody or with whom the minor is living in the event there is no court order for custody, or guardian having the custody of such minor, or in the event a person under the age of 18 has no living father, mother or guardian, the license shall not be issued to such person unless the application therefor is approved by the person's employer. Driver education courses offered in any public school shall be open for enrollment to persons between the ages of 15 and 18 years residing in the school district or attending school therein. Any public school offering driver education courses may charge an enrollment fee for the driver education course which shall not exceed the actual cost thereof to the public school and the school district. Every driver education course offered by a public school or private commercial driver training school or institute must provide at least two hours of classroom instruction in the effects of the abuse of alcohol or a controlled substance on driving skills and highway safety. The approval required herein shall contain a verification of the age of the applicant;

(2) To any person whose license has been suspended during the period of suspension except that a suspended license may be reinstated during the period of suspension upon the licensee furnishing proof of financial responsibility in the same manner as provided in the Minnesota no-fault automobile insurance act;

(3) To any person whose license has been revoked except upon furnishing proof of financial responsibility in the same manner as provided in the Minnesota no-fault automobile insurance act and if otherwise qualified;

(4) To any person who is a drug dependent person as defined in section 254A.02, subdivision 5;

(5) To any person who has been adjudged legally incompetent by reason of mental illness, mental deficiency, or inebriation, and has not been restored to capacity, unless the department is satisfied that such person is competent to operate a motor vehicle with safety to persons or property;

(6) To any person who is required by this chapter to take an examination, unless such person shall have successfully passed such examination;

(7) To any person who is required under the provisions of the Minnesota no-fault automobile insurance act of this state to deposit proof of financial responsibility and who has not deposited such proof;

(8) To any person when the commissioner has good cause to believe that the operation of a motor vehicle on the highways by such person would be inimical to public safety or welfare;

(9) To any person when, in the opinion of the commissioner, such person is afflicted with or suffering from such physical or mental disability or disease as will affect such person in a manner to prevent the person from exercising reasonable and ordinary control over a motor vehicle while operating the same upon the highways; nor to a person who is unable to read and understand official signs regulating, warning, and directing traffic;

(10) To a child for whom a court has ordered denial of driving privileges under section 260.195, subdivision 3a, until the period of denial is completed; or

(11) To any person whose license has been canceled, during the period of cancellation.

Sec. 25. Minnesota Statutes 1991 Supplement, section 171.29, subdivision 2, is amended to read:

Subd. 2. [FEES, ALLOCATION.] (a) A person whose drivers license has been revoked as provided in subdivision 1, except under section 169.121 or 169.123, shall pay a \$30 fee before the person's drivers license is reinstated.

(b) A person whose drivers license has been revoked as provided in subdivision 1 under section 169.121 or 169.123 shall pay a ~~\$250~~ \$300 fee before the person's drivers license is reinstated to be credited as follows:

(1) ~~20~~ 17 percent shall be credited to the trunk highway fund;

(2) ~~55~~ 62 percent shall be credited to the general fund;

(3) ~~eight~~ seven percent shall be credited to a separate account to be known as the bureau of criminal apprehension account. Money in this account may be appropriated to the commissioner of public safety and shall be divided as follows: ~~eight~~ six percent for laboratory costs; ~~two~~ one percent for carrying out the provisions of section 299C.065;

(4) ~~12~~ ten percent shall be credited to a separate account to be known as the alcohol-impaired driver education account. Money in the account may be appropriated to the commissioner of education for grants to develop alcohol-impaired driver education and chemical abuse prevention programs in elementary and secondary schools. The state board of education shall establish guidelines for the distribution of the grants. At least \$70,000 must be awarded in grants to local school districts; and

(5) ~~five~~ four percent shall be credited to a separate account to be known as the traumatic brain injury and spinal cord injury account. \$100,000 is annually appropriated from the account to the commissioner of human services for traumatic brain injury case management services. The remaining money in the account is annually appropriated to the commissioner of health to establish and maintain the traumatic brain injury and spinal cord injury registry created in section 144.662 and to reimburse the commissioner of jobs and training for the reasonable cost of services provided under section 268A.03, clause (o).

Sec. 26. Minnesota Statutes 1991 Supplement, section 171.30, subdivision 2a, is amended to read:

Subd. 2a. [~~180-DAY WAITING PERIOD PERIODS.~~] Notwithstanding subdivision 2, a limited license shall not be issued for a period of:

(1) 15 days, to a person whose license or privilege has been revoked or suspended for a violation of section 169.121 or 169.123;

(2) 90 days, to a person who submitted to testing under section 169.123 if the person's license or privilege has been revoked or suspended for a second or subsequent violation of section 169.121 or 169.123; and

(3) 180 days, to an individual whose a person who refused testing under section 169.123 if the person's license or privilege has been revoked or suspended for a second or subsequent violation of section 169.121 or 169.123; or to a person whose license or privilege has been revoked or suspended for commission of the offense of manslaughter resulting from the operation of a motor vehicle or criminal vehicular homicide or injury under section 609.21.

Sec. 27. [SENTENCING GUIDELINES MODIFICATION.]

The sentencing guidelines commission shall modify sentencing guideline II.B.3 to provide that the criminal history score of any person convicted of violating section 609.21 shall include one-half of one criminal history point for each previous violation of section 169.121, 169.1211, or 169.129.

Sec. 28. [SENTENCING GUIDELINES MODIFICATION; CRIMINAL VEHICULAR HOMICIDE.]

The sentencing guidelines commission shall modify the sentencing guidelines by ranking violations of section 609.21, subdivisions 1, clauses (3) and (4), and 3, clauses (3) and (4), in severity level VII of the sentencing guidelines grid.

Sec. 29. [DEPARTMENT OF PUBLIC SAFETY; NOTICE CONCERNING CERTAIN PERSONS UNDER DRIVER'S LICENSE CANCELLATION.]

The commissioner of public safety shall develop a program under which the commissioner monthly notifies local law enforcement agencies of the names and addresses of persons residing within the local agency's jurisdiction whose driver's licenses or driving privileges have been canceled under Minnesota Statutes, section 171.04, clause (8). At the commissioner's discretion, the commissioner may adopt necessary procedures, including periodic updates, so that the information is current and accurate. This list is available only to law enforcement agencies.

Sec. 30. [APPROPRIATION.]

\$..... is appropriated from the general fund to the commissioner of public safety for the fiscal year ending June 30, 1993, for the purpose of funding grant applications under Minnesota Statutes, section 169.1265.

## Sec. 31. [EFFECTIVE DATE.]

Sections 1 to 29 are effective January 1, 1993, and apply to crimes committed on or after that date.

## ARTICLE 2

OPERATING A SNOWMOBILE  
OR ALL-TERRAIN VEHICLE  
WHILE INTOXICATED

Section 1. Minnesota Statutes 1990, section 84.91, is amended to read:

84.91 [OPERATION OF SNOWMOBILES AND ALL-TERRAIN VEHICLES BY PERSONS UNDER THE INFLUENCE OF ALCOHOL OR CONTROLLED SUBSTANCES.]

Subdivision 1. [ACTS PROHIBITED.] (a) No person shall operate or be in physical control of any snowmobile or all-terrain vehicle anywhere in this state or on the ice of any boundary water of this state ~~while under the influence of:~~

(1) when the person is under the influence of alcohol, as provided in section 169.121, subdivision 1, clauses (a) and (d);

(2) when the person is under the influence of a controlled substance, as defined in section 152.01, subdivision 4; or

(3) when the person is under the influence of a combination of any two or more of the elements named in clauses (1) and, (2), and (6);

(4) when the person's alcohol concentration is 0.10 or more;

(5) when the person's alcohol concentration, as measured within two hours of the time of operating, is 0.10 or more; or

(6) when the person is knowingly under the influence of any chemical compound or combination of chemical compounds that is listed as a hazardous substance in rules adopted under section 182.655 and that affects the nervous system, brain, or muscles of the person so as to substantially impair the person's ability to operate the snowmobile or all-terrain vehicle.

(b) No owner or other person having charge or control of any snowmobile or all-terrain vehicle shall authorize or permit any individual the person knows or has reason to believe is under the influence of alcohol or a controlled substance or other substance, as provided under paragraph (a), to operate the snowmobile or all-

terrain vehicle anywhere in this state or on the ice of any boundary water of this state.

(c) No owner or other person having charge or control of any snowmobile or all-terrain vehicle shall knowingly authorize or permit any person, who by reason of any physical or mental disability is incapable of operating the vehicle, to operate the snowmobile or all-terrain vehicle anywhere in this state or on the ice of any boundary water of this state.

Subd. 2. [ARREST.] Conservation officers of the department of natural resources, sheriffs, sheriff's deputies, and other peace officers may arrest a person for a violation under subdivision 1 without a warrant upon probable cause, if without regard to whether the violation was committed in the officer's presence. ~~If the violation did not occur in the officer's presence, the officer may arrest the person if the person was involved in a snowmobile or all-terrain vehicle accident resulting in death, personal injury, or property damage.~~

Subd. 3. [PRELIMINARY SCREENING TEST.] When an officer authorized under subdivision 2 to make arrests has reason to believe from the manner in which a person is operating, controlling, or acting upon departure from a snowmobile or all-terrain vehicle, or has operated or been in control of the vehicle, that the operator may be violating or has violated subdivision 1, paragraph (a), the officer may require the operator to provide a breath sample for a preliminary screening test using a device approved by the commissioner of public safety for this purpose. The results of the preliminary screening test shall be used for the purpose of deciding whether an arrest should be made under this section and whether to require the chemical tests authorized in section 84.911, but may not be used in any court action except:

(1) to prove that a test was properly required of an operator under section 84.911; or

(2) in a civil action arising out of the operation or use of a snowmobile or all-terrain vehicle.

Following the preliminary screening test, additional tests may be required of the operator as provided under section 84.911. An operator who refuses a breath sample is subject to the provisions of section 84.911 unless, in compliance with that section, the operator submits to a blood, breath, or urine test to determine the presence of alcohol or a controlled substance.

Subd. 4. [EVIDENCE.] In a prosecution for a violation of subdivision 1, paragraph (a), or an ordinance in conformity with it, the admission of evidence of the amount of alcohol or a controlled substance in the person's blood, breath, or urine, is governed by section 86B.331, subdivision 4.



Subd. 5. [PENALTIES.] (a) A person who violates any prohibition contained in subdivision 1, or an ordinance in conformity with it, is guilty of a misdemeanor.

(b) A person who violates any prohibition contained in subdivision 1 within five years of a prior impaired operating conviction under that subdivision or civil liability under section 84.911, subdivision 2, or an ordinance in conformity with it, or within ten years of the first of two or more prior impaired operating convictions under that subdivision or civil liability under section 84.911, subdivision 2, or an ordinance in conformity with it, is guilty of a gross misdemeanor.

~~(b)~~ For purposes of this section, a prior impaired operating conviction is a prior conviction under this section; section 86B.331, subdivision 1, paragraph (a); 169.121; 169.129; 360.0752; or 609.21, subdivision 1, clauses (2) to (4); 2, clauses (2) to (4); 2a, clauses (2) to (4); 3, clauses (2) to (4); or 4, clauses (2) to (4); or an ordinance from this state, or a statute or ordinance from another state in conformity with any of them. A prior impaired operating conviction includes a prior juvenile adjudication that would have been a prior impaired operating conviction if committed by an adult.

(c) The attorney in the jurisdiction where the violation occurred who is responsible for prosecuting misdemeanor violations of this section is also responsible for prosecuting gross misdemeanor violations of this section. When an attorney responsible for prosecuting gross misdemeanors under this section requests criminal history information relating to prior impaired operating convictions from a court, the court must furnish the information without charge.

(d) A person who operates a snowmobile or all-terrain vehicle during the period the person is prohibited from operating the vehicle under subdivision 6 is guilty of a misdemeanor.

Subd. 5a. [NOTICE OF ENHANCED PENALTIES.] When a court sentences a person for a misdemeanor violation of this section, it shall inform the defendant of the statutory provisions that provide for enhancement of criminal penalties for repeat violators. The failure of a court to provide this information to a defendant does not affect the future applicability of these enhanced penalties to that defendant.

Subd. 6. [OPERATING PRIVILEGES SUSPENDED.] Upon conviction under this section, or an ordinance in conformity with it, and in addition to any penalty imposed under subdivision 5, the person is prohibited for one year from operating a snowmobile or all-terrain vehicle, whichever was involved in the violation.

Subd. 7. [DUTIES OF COMMISSIONER.] The court shall promptly forward to the commissioner copies of all convictions and criminal and civil penalties imposed under subdivision 5 and section

84.911, subdivision 2. The commissioner shall notify the convicted person of the period during which the person is prohibited from operating a snowmobile or all-terrain vehicle under subdivision 6 or section 84.911, subdivision 2. The commissioner shall also periodically circulate to appropriate law enforcement agencies a list of all persons who are prohibited from operating a snowmobile or all-terrain vehicle under subdivision 6 or section 84.911, subdivision 2.

Subd. 8. [IMMUNITY FROM LIABILITY.] The state or political subdivision that employs an officer who is authorized under subdivision 2 to make an arrest for violations of subdivision 1 is immune from any liability, civil or criminal, for the care or custody of the snowmobile or all-terrain vehicle being operated by or in the physical control of the person arrested if the officer acts in good faith and exercises due care.

Sec. 2. Minnesota Statutes 1990, section 84.911, is amended to read:

84.911 [CHEMICAL TESTING.]

Subdivision 1. [MANDATORY CHEMICAL TESTING.] A person who operates or is in physical control of a snowmobile or all-terrain vehicle anywhere in this state or on the ice of any boundary water of this state is required, subject to the provisions of this section, to take or submit to a test of the person's blood, breath, or urine for the purpose of determining the presence and amount of alcohol or a controlled substance. The test shall be administered at the direction of an officer authorized to make arrests under section 84.91, subdivision 2. Taking or submitting to the test is mandatory when requested by an officer who has probable cause to believe the person was operating or in physical control of a snowmobile or all-terrain vehicle in violation of section 84.91, subdivision 1, paragraph (a), and one of the following conditions exists:

(1) the person has been lawfully placed under arrest for violating section 84.91, subdivision 1, paragraph (a);

(2) the person has been involved while operating a snowmobile or all-terrain vehicle in an accident resulting in property damage, personal injury, or death;

(3) the person has refused to take the preliminary screening test provided for in section 84.91, subdivision 3; or

(4) the screening test was administered and ~~recorded~~ indicated an alcohol concentration of 0.10 or more.

Subd. 2. [PENALTIES; REFUSAL; REVOCATION OF SNOWMOBILE OR ALL-TERRAIN VEHICLE OPERATING PRIVILEGE.] (a)

If a person refuses to take a test required under subdivision 1, none must be given, but the officer authorized to make arrests under section 84.91, subdivision 2, shall report the refusal to the commissioner of natural resources and to the authority having responsibility for prosecution of misdemeanor offenses for the jurisdiction in which the incident occurred that gave rise to the test demand and refusal. However, if a peace officer has probable cause to believe that the person has violated section 609.21, a test may be required and obtained despite the person's refusal.

On certification by the officer that probable cause existed to believe the person had been operating or in physical control of a snowmobile or all-terrain vehicle while under the influence of alcohol or a controlled substance, and that the person refused to submit to testing, the commissioner shall impose a civil penalty of \$500 and shall prohibit the person from operating a snowmobile or all-terrain vehicle, whichever was involved in the violation, for a period of one year even if a test was obtained pursuant to this section after the person refused to submit to testing.

On behalf of the commissioner, an officer requiring a test or directing the administration of a test shall serve on a person who refused to permit a test immediate notice of intention to prohibit the operation of a snowmobile or all-terrain vehicle, and to impose the civil penalty set forth in this subdivision. If the officer fails to serve a notice of intent to suspend operating privileges, the commissioner may notify the person by mail, and the notice is deemed received three days after mailing. The notice must advise the person of the right to obtain administrative and judicial review as provided in this section. The prohibition imposed by the commissioner takes effect ten days after receipt of the notice. The civil penalty is imposed on receipt of the notice and must be paid within 30 days of imposition.

(b) A person who operates a snowmobile or all-terrain vehicle during the period the person is prohibited from operating the vehicle as provided under paragraph (a) is guilty of a misdemeanor.

Subd. 3. [RIGHTS AND OBLIGATIONS.] At the time a test is requested, the person must be informed:

(1) that Minnesota law requires a person to take a test to determine if the person is under the influence of alcohol or a controlled substance;

(2) that if the person refuses to take the test, the a person is subject to a civil penalty of \$500 for refusing to take the test and, in addition, is prohibited for a one-year period from operating a snowmobile or an all-terrain vehicle, as provided under subdivision 2;

(3) that if testing is refused it will not affect the person's motor vehicle driver's license;

(4) that if the test is taken and the results indicate ~~that the person is under the influence of an alcohol or a controlled substance~~ concentration of 0.10 or more, the person ~~will~~ may be subject to ~~criminal penalties and in addition to any other penalties the court may impose~~, the person's operating privileges will be suspended as provided under section 84.91, subdivision 6;

(5) that, after submitting to testing, the person has the right to have additional tests made by someone of the person's own choosing; ~~and~~

(6) if the peace officer has probable cause to believe the person has violated section 609.21, that a test will be taken with or without the person's consent;

(7) that the person has the right to consult with an attorney, but that this right is limited to the extent that it cannot unreasonably delay administration of the test or the person will be deemed to have refused the test; and

(8) that a refusal to take a test ~~will~~ may be offered into evidence against the person at trial.

Subd. 4. [REQUIREMENT OF URINE TEST.] Notwithstanding subdivision 1, if there is probable cause to believe there is impairment by a controlled substance that is not subject to testing by a breath test, a blood or urine test may be required even after a breath test has been administered.

Subd. 5. [CHEMICAL TESTS.] Chemical tests administered under this section are governed by section 86B.335, subdivisions 8, 9, and 10.

Subd. 6. [JUDICIAL AND ADMINISTRATIVE REVIEW; ENFORCEMENT.] Judicial and administrative review of sanctions imposed under this section is governed by section 86B.335, subdivisions 3, 4, and 5. Payment and enforcement of the civil penalty imposed under this section is governed by section 86B.335, subdivisions 11 and 12.

### Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective August 1, 1992, and apply to crimes committed on or after that date.

ARTICLE 3  
BOATING WHILE INTOXICATED

Section 1. Minnesota Statutes 1990, section 86B.331, is amended to read:

86B.331 [OPERATION WHILE USING ALCOHOL OR DRUGS  
OR WITH A PHYSICAL OR MENTAL DISABILITY.]

Subdivision 1. [ACTS PROHIBITED.] (a) A person may not operate or be in physical control of a motorboat in operation on the waters of this state ~~while under the influence of:~~

(1) when the person is under the influence of alcohol, as provided in section ~~169.121~~, subdivision 1, paragraphs (a) and (d);

(2) when the person is under the influence of a controlled or other substance, as provided ~~defined~~ in section ~~169.121~~ 152.01, subdivision 1 4; or

(3) when the person is under the influence of a combination of any two or more of the elements named in clauses (1) and, (2), and (6);

(4) when the person's alcohol concentration is 0.10 or more;

(5) when the person's alcohol concentration, as measured within two hours of the time of operating, is 0.10 or more; or

(6) when the person is knowingly under the influence of any chemical compound or combination of chemical compounds that is listed as a hazardous substance in rules adopted under section 182.655 and that affects the nervous system, brain, or muscles of the person so as to substantially impair the person's ability to operate the motorboat.

(b) An owner or other person having charge or control of a motorboat may not authorize or allow an individual the person knows or has reason to believe is under the influence of alcohol or a controlled or other substance, as provided under paragraph (a), to operate the motorboat in operation on the waters of this state.

(c) An owner or other person having charge or control of a motorboat may not knowingly authorize or allow a person, who by reason of a physical or mental disability is incapable of operating the motorboat, to operate the motorboat in operation on the waters of this state.

(d) For purposes of this subdivision, a motorboat "in operation"

does not include a motorboat that is anchored, beached, or securely fastened to a dock or other permanent mooring.

Subd. 2. [ARREST.] Conservation officers of the department of natural resources, sheriffs, sheriff's deputies, and other peace officers may arrest a person for a violation under subdivision 1 without a warrant upon probable cause if, without regard to whether the violation was committed in the officer's presence. If the violation did not occur in the officer's presence, the officer may arrest the person if the person was involved in a motorboat accident resulting in death, personal injury, or property damage.

Subd. 3. [PRELIMINARY SCREENING TEST.] (a) If an officer authorized under subdivision 2 to make arrests has reason to believe from the manner in which a person is operating, controlling, or acting upon departure from a motorboat, or has operated or been in control of a motorboat, that the operator may be violating or has violated subdivision 1, paragraph (a), the officer may require the operator to provide a breath sample for a preliminary screening test using a device approved by the commissioner of public safety for this purpose.

(b) The results of the preliminary screening test shall be used for the purpose of deciding whether an arrest should be made under this section and whether to require the chemical tests authorized in section 86B.335, but may not be used in a court action except:

(1) to prove that a test was properly required of an operator pursuant to section 86B.335; or

(2) in a civil action arising out of the operation or use of the motorboat.

(c) Following the preliminary screening test, additional tests may be required of the operator as provided under section 86B.335.

(d) An operator who refuses a breath sample is subject to the provisions of section 86B.335 unless, in compliance with that section, the operator submits to a blood, breath, or urine test to determine the presence of alcohol or a controlled substance.

Subd. 4. [EVIDENCE.] (a) Upon the trial of a prosecution arising out of acts alleged to have been committed by a person arrested for operating or being in physical control of a motorboat in violation of subdivision 1, paragraph (a), or an ordinance in conformity with it, the court may admit evidence of the amount of alcohol or a controlled substance in the person's blood, breath, or urine as shown by an analysis of those items.

(b) For the purposes of this subdivision:

(1) evidence that there was at the time an alcohol concentration of 0.05 or less is prima facie evidence that the person was not under the influence of alcohol; and

(2) evidence that there was at the time an alcohol concentration of more than 0.05 and less than 0.10 is relevant evidence in indicating whether or not the person was under the influence of alcohol.

(c) Evidence of the refusal to take a preliminary screening test required under subdivision 3 or a chemical test required under section 86B.335 is admissible into evidence in a prosecution under this section or an ordinance in conformity with it.

(d) This subdivision does not limit the introduction of other competent evidence bearing upon the question of whether or not the person violated this section, including tests obtained more than two hours after the alleged violation and results obtained from partial tests on an infrared breath-testing instrument. A result from a partial test is the measurement obtained by analyzing one adequate breath sample. A sample is adequate if the instrument analyzes the sample and does not indicate the sample is deficient.

(e) If proven by a preponderance of the evidence, it shall be an affirmative defense to a violation of subdivision 1, paragraph (a), clause (5), that the defendant consumed a sufficient quantity of alcohol after the time of operating or physical control of a motorboat and before the administration of the evidentiary test to cause the defendant's alcohol concentration to exceed 0.10; provided, that this evidence may not be admitted unless notice is given to the prosecution prior to the omnibus or pretrial hearing in the matter.

Subd. 5. [PENALTIES.] (a) A person who violates a prohibition contained in subdivision 1, or an ordinance in conformity with it, is guilty of a misdemeanor; ~~except that.~~

(b) A person who violates a prohibition contained in subdivision 1 within five years of a prior ~~impaired operating conviction under that subdivision~~ or civil liability under section 86B.335, subdivision 2, or an ordinance in conformity with it, or within ten years of the first of two or more prior ~~impaired operating convictions under that subdivision~~ or civil liability under section 86B.335, subdivision 2, or an ordinance in conformity with it, is guilty of a gross misdemeanor.

For purposes of this section, a prior impaired operating conviction is a prior conviction under this section; section 84.91, subdivision 1, paragraph (a); 169.121; 169.129; 360.0752; or 609.21, subdivision 1, clauses (2) to (4); 2, clauses (2) to (4); 2a, clauses (2) to (4); 3, clauses (2) to (4); or 4, clauses (2) to (4); or an ordinance from this state, or a statute or ordinance from another state in conformity with any of them. A prior impaired operating conviction including a prior

juvenile adjudication that would have been a prior impaired operating conviction if committed by an adult.

(c) The attorney in the jurisdiction where the violation occurred who is responsible for prosecution of misdemeanor violations of this section is also responsible for prosecution of gross misdemeanor violations of this section. When an attorney responsible for prosecuting gross misdemeanors under this section requests criminal history information relating to prior impaired operating convictions from a court, the court must furnish the information without charge.

(b) (d) A person who operates a motorboat on the waters of this state during the period the person is prohibited from operating any motorboat or after the person's ~~motorboat~~ watercraft operator's permit has been revoked, as provided under subdivision 6, is guilty of a misdemeanor.

Subd. 5a. [NOTICE OF ENHANCED PENALTIES.] When a court sentences a person for a misdemeanor violation of this section, it shall inform the defendant of the statutory provisions that provide for enhancement of criminal penalties for repeat violators. The failure of a court to provide this information to a defendant does not affect the future applicability of these enhanced penalties to that defendant.

Subd. 6. [SUSPENSION AND REVOCATION OF OPERATING PRIVILEGES.] (a) Upon conviction under this section, or an ordinance in conformity with it, and in addition to any penalty imposed under subdivision 5, the person is prohibited from operating any motorboat on the waters of this state for a period of 90 days between May 1 and October 31, extending over two consecutive years if necessary.

(b) A person with a ~~motorboat~~ watercraft operator's permit 13 years of age or older but less than 18 years of age and who violates any prohibition contained in subdivision 1 shall have the permit revoked by the commissioner as required by section 86B.811, subdivision 2, in addition to any other penalty imposed by the court.

Subd. 7. [DUTIES OF COMMISSIONER.] The court shall promptly forward copies of all convictions and criminal and civil penalties imposed under subdivision 5 and section 86B.335, subdivision 2, to the commissioner. The commissioner shall notify the convicted person of the period when the person is prohibited from operating a motorboat as provided under subdivision 6 or section 86B.335, subdivision 2. The commissioner shall also periodically circulate to appropriate law enforcement agencies a list of all persons who are prohibited from operating any motorboat or have had their ~~motorboat~~ watercraft operator's permits revoked pursuant to subdivision 6 or section 86B.335, subdivision 2.



Subd. 8. [GOVERNMENT IMMUNITY FROM LIABILITY FOR BOAT CARE.] The state or political subdivision that is the employer of an officer authorized under subdivision 2 to make an arrest for violations of subdivision 1 is immune from any liability, civil or criminal, for the care or custody of the motorboat being operated by or in the physical control of the person arrested if the officer acts in good faith and exercises due care.

Sec. 2. Minnesota Statutes 1990, section 86B.335, subdivision 1, is amended to read:

Subdivision 1. [CHEMICAL TESTING.] A person who operates or is in physical control of a motorboat in operation on the waters of this state is required, subject to the provisions of this section, to take or submit to a test of the person's blood, breath, or urine for the purpose of determining the presence and amount of alcohol or a controlled substance. A motorboat "in operation" does not include a motorboat that is anchored, beached, or securely fastened to a dock or other permanent mooring. The test shall be administered at the direction of an officer authorized to make arrests under section 86B.331, subdivision 2. Taking or submitting to the test is mandatory when requested by an officer who has probable cause to believe the person was operating or in physical control of a motorboat in violation of section 86B.331, subdivision 1, paragraph (a), and one of the following conditions exist:

(1) the person has been lawfully placed under arrest for violating section 86B.331, subdivision 1, paragraph (a);

(2) the person has been involved in a motorboat accident resulting in property damage, personal injury, or death;

(3) the person has refused to take the preliminary screening test provided for in section 86B.331, subdivision 3; or

(4) the screening test was administered and recorded indicated an alcohol concentration of 0.10 or more.

Sec. 3. Minnesota Statutes 1990, section 86B.335, subdivision 2, is amended to read:

Subd. 2. [REFUSAL TO TAKE TEST.] (a) If a person refuses to take a test required under subdivision 1, a test is not to be given, but the officer authorized to make arrests under section 86B.331, subdivision 2, shall report the refusal to the commissioner of natural resources and to the authority having responsibility for prosecution of misdemeanor offenses for the jurisdiction where the incident occurred that gave rise to the test demand and refusal. However, if a peace officer has probable cause to believe that the person has

violated section 609.21, a test may be required and obtained despite the person's refusal.

(b) On certification by the officer that probable cause existed to believe the person had been operating or in physical control of a motorboat while under the influence of alcohol or a controlled substance, and that the person refused to submit to testing, the commissioner shall impose a civil penalty of \$500 and shall prohibit the person from operating any motorboat on the waters of this state for a period of one year even if a test was obtained pursuant to this section after the person refused to submit to testing. If the person refusing to submit to testing is under the age of 18 years at the time of the refusal, the person's watercraft operator's permit shall be revoked by the commissioner as set forth in this subdivision and a new permit after the revocation must be issued only after the person successfully completes a watercraft safety course.

(c) On behalf of the commissioner, an officer requiring a test or directing the administration of a test shall serve on a person who refused to permit a test immediate notice of intention to impose the civil penalty set forth in this subdivision, to prohibit the operation of motorboats, and to revoke a watercraft operator's permit. The officer shall take a watercraft operator's permit held by the person, and shall send the permit to the commissioner along with the certification provided for in this subdivision. If the officer fails to serve a notice of intent to revoke, the commissioner may notify the person by mail and the notice is deemed received three days after mailing. The notice must advise the person of the right to obtain administrative and judicial review as provided in this section. The prohibition and revocation, if any, shall take effect ten days after receipt of the notice. The civil penalty is imposed on receipt of the notice and shall be paid within 30 days of imposition.

(d) A person who operates a motorboat on the waters of this state during the period the person is prohibited from operating a motorboat as provided under paragraph (b) or (c) is guilty of a misdemeanor.

Sec. 4. Minnesota Statutes 1990, section 86B.335, subdivision 4, is amended to read:

Subd. 4. [JUDICIAL REVIEW.] (a) Within 30 days following receipt of a notice and order imposing sanctions under this section, a person may petition the court for review. The petition must be filed with the district court administrator of the county, municipal, or unified trial court in the county where the incident occurred which gave rise to the test demand and refusal, together with proof of service of a copy on the commissioner and the prosecuting authority for misdemeanor offenses for the jurisdiction in which the incident occurred. A responsive pleading is not required of the commissioner

of natural resources, and court fees may not be charged for the appearance of the representative of the commissioner in the matter.

(b) The petition must be captioned in the name of the person making the petition as petitioner and the commissioner as respondent. The petition must state specifically the grounds upon which the petitioner seeks rescission of the order imposing sanctions.

(c) The filing of the petition does not stay the revocation or prohibition against operation of a motorboat. However, the filing of a petition stays imposition of the civil penalty. The judicial review shall be conducted according to the rules of civil procedure.

Sec. 5. Minnesota Statutes 1990, section 86B.335, subdivision 5, is amended to read:

Subd. 5. [HEARING.] (a) A hearing under this section must be before a ~~municipal, county, or unified~~ district court judge in the county where the incident occurred which gave rise to the test demand and refusal. The hearing must be to the court and may be conducted at the same time as hearings upon pretrial motions in the criminal prosecution under section 86B.331. The hearing must be recorded. The commissioner must be represented by the prosecuting authority for misdemeanor offenses for the jurisdiction in which the incident occurred which gave rise to the test demand and refusal.

(b) The hearing must be held at the earliest practicable date and in any event no later than 60 days following the filing of the petition for review. The reviewing court may order a temporary stay of the balance of the prohibition or revocation if the hearing has not been conducted within 60 days after filing of the petition, upon the application of the petitioner and upon terms the court deems proper.

(c) The scope of the hearing must be limited to the issues of:

(1) whether the officer had probable cause to believe that the person was operating or in physical control of a motorboat in violation of section 86B.331;

(2) whether one of the conditions in subdivision 1 existed;

(3) whether the person was informed as prescribed in subdivision 6; and

(4) whether the person refused to submit to testing.

(d) It is an affirmative defense for the petitioner to prove that, at the time of the refusal, the petitioner's refusal to permit the test was based upon reasonable grounds.

(e) The court shall order that the prohibition or revocation be either sustained or rescinded and shall either sustain or rescind the civil penalty. The court shall forward a copy of the order to the commissioner.

Sec. 6. Minnesota Statutes 1990, section 86B.335, subdivision 6, is amended to read:

Subd. 6. [RIGHTS AND OBLIGATIONS.] At the time a test is requested, the person must be informed:

(1) that Minnesota law requires a person to take a test to determine if the person is under the influence of alcohol or a controlled substance;

(2) that a person is subject to a civil penalty of \$500 for refusing to take the test and, in addition, the person is prohibited from operating any motorboat, as provided under subdivision 2, for refusing to take the test;

(3) that if testing is refused it will not affect the person's motor vehicle driver's license;

(4) that if the test is taken and the results indicate ~~that the person is under the influence of alcohol or a controlled substance~~ an alcohol concentration of 0.10 or more, the person ~~will~~ may be subject to criminal penalties and, in addition to any other penalties the court may impose, the person's operating privileges will be suspended as provided under section 86B.331, subdivision 6, paragraph (a);

(5) that, after submitting to testing, the person has the right to have additional tests made by someone of the person's own choosing; ~~and~~

(6) if the peace officer has probable cause to believe the person has violated section 609.21, that a test will be taken with or without the person's consent;

(7) that the person has the right to consult with an attorney, but that this right is limited to the extent that it cannot unreasonably delay administration of the test or the person will be deemed to have refused the test; and

(8) that a refusal to take a test ~~will~~ may be offered into evidence against the person at trial.

Sec. 7. [EFFECTIVE DATE.]

Sections 1 to 6 are effective June 1, 1992, and apply to crimes committed on or after that date.

## ARTICLE 4

## AIRCRAFT OPERATION WHILE INTOXICATED

Section 1. Minnesota Statutes 1990, section 360.0752, is amended by adding a subdivision to read:

Subd. 2a. [REFUSAL TO SUBMIT TO TESTING; CRIME.] It is a crime for any person to refuse to submit to a chemical test of the person's blood, breath, or urine under section 360.0753.

Sec. 2. Minnesota Statutes 1990, section 360.0752, subdivision 6, is amended to read:

Subd. 6. [CRIMINAL PENALTIES.] (a) A person who violates subdivision 2, clause (g); or 3, is guilty of a misdemeanor.

(b) A person who violates subdivision 2, clauses (a) to (f), or 2a, is guilty of a gross misdemeanor.

(c) The attorney in the jurisdiction in which the violation occurred who is responsible for prosecution of misdemeanor violations shall also be responsible for prosecution of gross misdemeanor violations of this section.

Sec. 3. Minnesota Statutes 1990, section 360.0753, subdivision 2, is amended to read:

Subd. 2. [IMPLIED CONSENT; CONDITIONS; ELECTION AS TO TYPE OF TEST.] (a) Any person who operates or attempts to operate an aircraft in or over this state or over any boundary water of this state consents, subject to the provisions of this section and section 360.0752, to a chemical test of that person's blood, breath, or urine for the purpose of determining the presence of alcohol or a controlled substance. The test shall be administered at the direction of a peace officer. The test may be required of a person when an officer has probable cause to believe the person was operating or attempting to operate an aircraft in violation of section 360.0752 and one of the following conditions exists:

(1) the person has been lawfully placed under arrest for violation of section 360.0752;

(2) the person has been involved in an aircraft accident or collision resulting in property damage, personal injury, or death;

(3) the person has refused to take the screening test provided for by section 360.0752;

(4) the screening test was administered and recorded an alcohol concentration of 0.04 or more; or

(5) the officer had probable cause to believe that the person was operating or attempting to operate an aircraft with any amount of alcohol present in the person's body.

(b) At the time a test is requested, the person shall be informed:

(1) that Minnesota law requires the person to take a test to determine the presence of alcohol or to determine if the person is under the influence of alcohol or a controlled substance;

(2) that if testing is refused, the person will be disqualified from operating an aircraft for a minimum period of one year;

(3) that if a test is taken and the results indicate an alcohol concentration of 0.04 or more or that the person is under the influence of a controlled substance, the person will be subject to criminal penalties and the person may be prohibited from operating an aircraft in this state for up to one year;

(4) whether a test is taken or refused, the person may be subject to criminal prosecution for an alcohol- or controlled substance-related offense relating to the operation of an aircraft;

(3) that if testing is refused, the person may be subject to criminal prosecution because the person refused testing and the person will be disqualified from operating an aircraft for a minimum period of one year;

(4) if the peace officer has probable cause to believe the person has violated section 609.21, that a test will be taken with or without the person's consent;

(5) that the person has the right to consult with an attorney, but that this right is limited to the extent that it cannot unreasonably delay administration of the test;

(6) that after submitting to testing, the person has the right to consult with an attorney and to have additional tests made by someone of the person's own choosing; and

(5) (7) that if the person refuses to take a test, the a refusal will to take a test may be offered into evidence against the person at trial.

(c) The peace officer who requires a test pursuant to this subdivision may direct whether the test shall be of blood, breath, or urine. Action may be taken against a person who refuses to take a blood test only if an alternative test was offered, and action may be taken

against a person who refuses to take a urine test only if an alternative test was offered.

Sec. 4. Minnesota Statutes 1990, section 360.0753, subdivision 7, is amended to read:

Subd. 7. [REFUSAL TO PERMIT TEST; CEASE AND DESIST ORDER.] If a person under arrest refuses to permit chemical testing, none shall be given, but the commissioner of transportation, upon the receipt of a certificate of the peace officer that the officer had reasonable and probable grounds to believe the arrested person had been operating or attempting to operate an aircraft in violation of section 360.0752 and that the person had refused to permit the test, shall issue a cease and desist order prohibiting the operation of an aircraft for a period of one year. However, if a peace officer has probable cause to believe that the person has violated section 609.21, a test may be required and obtained despite the person's refusal. When a test is obtained pursuant to this section, after the person refused to submit to testing, the commissioner of transportation shall issue a cease and desist order under this section based on the person's refusal.

Sec. 5. Minnesota Statutes 1990, section 360.0753, subdivision 9, is amended to read:

Subd. 9. [HEARING.] The hearing shall be before a district court in the county where the arrest occurred, unless there is agreement that the hearing may be held in some other county. The hearing shall be recorded and proceed as in a criminal matter, without the right of trial by jury, and its scope shall cover the issues of whether the peace officer had reasonable and probable grounds to believe the person was operating or attempting to operate an aircraft in violation of section 360.0752; whether the person was lawfully placed under arrest; whether the person refused to permit the test, and if the person refused whether the person had reasonable grounds for refusing to permit the test; and whether at the time of request for the test the peace officer informed the person that the right to fly ~~might~~ will be denied if the person refused to permit the test and of the right to have additional tests made by someone of the person's own choosing. The court shall order either that the denial be rescinded or sustained and refer the order to the commissioner of transportation for further action.

Sec. 6. [EFFECTIVE DATE.]

Sections 1 to 5 are effective August 1, 1992, and apply to crimes committed on or after that date."

Delete the title and insert:

“A bill for an act relating to driving while intoxicated; providing felony penalties for certain repeat DWI violators; making it a crime to refuse to submit to testing under the implied consent law; expanding the scope of the administrative plate impoundment law; authorizing the forfeiture of vehicles used to commit certain repeat DWI offenses; increasing certain license revocation periods; revising the implied consent advisory; imposing waiting periods on the issuance of limited licenses; increasing certain fees; providing for certain sentencing guidelines modifications; updating laws relating to operating a snowmobile, all-terrain vehicle, aircraft, or motorboat while intoxicated; appropriating money; amending Minnesota Statutes 1990, sections 84.91; 84.911; 86B.331; 86B.335, subdivisions 1, 2, 4, 5, and 6; 168.042, subdivisions 1, 2, 4, 10, and 11; 169.121, subdivisions 1a, 3, 3a, 3b, 3c, 4, and 5; 169.123, subdivision 4; 169.126, subdivisions 1 and 4c; 169.129; 171.04, subdivision 1; 360.0752, subdivision 6, and by adding a subdivision; and 360.0753, subdivisions 2, 7, and 9; Minnesota Statutes 1991 Supplement, sections 169.121, subdivision 5a; 169.123, subdivision 2; 169.126, subdivision 2; 169.1265, subdivision 3; 171.29, subdivision 2; and 171.30, subdivision 2a; proposing coding for new law in Minnesota Statutes, chapter 169.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 2579, A bill for an act relating to occupations and professions; modifying disciplinary requirements of the board of social work; allowing the issuance of practice permits; clarifying requirements for changes in licensure level; providing penalties; amending Minnesota Statutes 1990, sections 148B.04, by adding a subdivision; 148B.15; 148B.18, subdivisions 9 and 12; 148B.21, subdivision 2, and by adding subdivisions; 148B.22, subdivision 2; 148B.27, subdivision 3; 148B.28, subdivision 2; Minnesota Statutes 1991 Supplement, sections 148B.04, subdivision 3; 148B.05, subdivision 1; 148B.07, subdivision 3; 148B.08, subdivision 1, and by adding a subdivision; and 148B.175, subdivisions 3, 4, 5, and 8; proposing coding for new law in Minnesota Statutes, chapter 148B; repealing Minnesota Statutes 1990, section 148B.05, subdivision 2.

Reported the same back with the following amendments:

Page 3, delete sections 5 and 6

Page 7, line 5, before “special” insert “state government”



Page 8, delete section 19

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 9, delete "148B.27,"

Page 1, line 10, delete "subdivision 3;"

Page 1, line 13, delete everything after the semicolon

Page 1, line 14, delete "subdivision;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Osthoff from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 2585, A bill for an act relating to elections; special school district No. 1; allowing special school district No. 1 to change the years of its elections; amending Laws 1959, chapter 462, section 3, as amended.

Reported the same back with the following amendments:

Page 1, line 23, before the period insert "and election of three of its directors in 1996 and subsequent years for four-year terms"

Page 1, line 25, before the period insert "and that the terms of office for directors to be elected in 1993 will expire January 1, 1997"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2587, A bill for an act relating to state government; imposing certain requirements on state contracts for advertising, public relations, and marketing services; imposing requirements on

certain recipients of state grants, aids, and appropriations; requiring a study; proposing coding for new law in Minnesota Statutes, chapter 16B.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

**“Section 1. [16B.176] [ADVERTISING SPACE PROVIDED BY RECIPIENTS OF STATE GRANTS.]**

A nonprofit organization, governmental entity, or business that receives an appropriation, grant, or aid from the state shall provide programs of state agencies and political subdivisions free advertising or publicity space in one or more of the organization's publications exceeding eight pages. This requirement does not apply to publications distributed only to employees or shareholders of the organization, or to other publications where this publicity or advertising would be inappropriate. The organization providing the space may decide how much to provide. The free advertising or publicity must be provided during the state fiscal year that the grant, aid, or appropriation is received.

**Sec. 2. [16B.177] [RECIPIENTS OF SERVICES; ADVERTISING.]**

The commissioner shall notify state agencies and political subdivisions of services available under this section and section 1. The commissioner shall maintain a file of advertising or publicity that state agencies and political subdivisions would like to place or develop under section 1. The commissioner shall coordinate requests and space with organizations offering space. State agencies and political subdivisions that receive a legislative appropriation for marketing, publicity, or advertising may not receive space under this section.

**Sec. 3. [EFFECTIVE DATE.]**

Sections 1 and 2 are effective July 1, 1992, and apply only to contracts entered into and grants, aid, and appropriations received on or after that date.”

Amend the title as follows:

Page 1, line 2, delete “certain”

Page 1, line 3, delete “on state contracts”

Page 1, line 4, delete “; imposing”

Page 1, line 5, delete "requirements"

Page 1, line 6, delete "requiring a study;"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Segal from the Committee on Economic Development to which was referred:

H. F. No. 2596, A bill for an act relating to the world trade center; authorizing and establishing procedures for the privatization of the world trade corporation; appropriating money; amending Minnesota Statutes 1990, section 44A.0311; proposing coding for new law in Minnesota Statutes, chapter 44A.

Reported the same back with the following amendments:

Page 2, lines 18 and 19, delete "in its sole discretion" and insert "in conjunction with the commissioner of the department of administration"

Page 2, after line 30, insert:

"Subd. 6. [APPROVAL OF THE STATE.] The board of the world trade center and the commissioner of the department of administration shall both approve the final agreement for the sale."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Segal from the Committee on Economic Development to which was referred:

H. F. No. 2634, A bill for an act relating to economic development; changing the name of the export finance authority to Minnesota trading company; increasing the size of the board of directors and changing the composition; changing the financing terms; amending Minnesota Statutes 1990, section 116J.9763, subdivisions 2, 6, and 7.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1990, section 116J.9673, subdivision 2, is amended to read:

Subd. 2. [BOARD OF DIRECTORS.] The governor shall appoint ~~six~~ seven members to the authority's board of directors. ~~The Six~~ members shall be knowledgeable in international finance, exporting, or international law and one member shall represent a company specializing in agricultural trade. ~~The commissioner of the department of trade and economic development shall be chair of the board.~~ Membership, terms, compensation and removals are governed by section 15.0575. Board members shall perform their duties in a non-self-serving manner and in compliance with section 10A.07.

Sec. 2. Minnesota Statutes 1990, section 116J.9673, subdivision 7, is amended to read:

Subd. 7. [INSURANCE AND GUARANTEES.] The finance authority may provide insurance and guarantees to the following extent:

(1) The finance authority may ~~not~~ provide to any one person insurance or guarantees ~~in excess of \$250,000 for preexport transactions and \$250,000 or for postexport transactions.~~ When insuring, coinsuring, or guaranteeing the postexport portion of transactions, the finance authority shall retain not more than ten percent of the commercial risk, or alternatively, the normal and standard deductible of the insurance policy.

(2) The policy of the finance authority is to provide insurance and guarantees for export credits that would otherwise not be made and that the chair and the board deem to represent a reasonable risk and have a sufficient likelihood of repayment.

(3) The finance authority shall contract with, among others, the Foreign Credit Insurance Association, the United States Export-Import Bank, and private insurers to secure insurance or reinsurance for country and commercial risks for the finance authority's insurance program. The finance authority may purchase insurance policies using money from the finance authority's appropriations.

(4) Losses incurred by the finance authority that relate to its insurance or guarantee activities shall be solely borne by the finance authority to the extent of its capital and reserves.

Sec. 3. [APPROPRIATION.]

\$. . . . . is appropriated to the commissioner of trade and economic development for the export finance authority working capital account. The sum is available until expended."

Delete the title and insert:

"A bill for an act relating to economic development; increasing the size of the board of directors of the export finance authority and changing the composition; changing the financing terms; appropriating money; amending Minnesota Statutes 1990, section 116J.9763, subdivisions 2 and 7."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Vellenga from the Committee on Judiciary to which was referred:

H. F. No. 2647, A bill for an act relating to Minnesota Statutes; correcting erroneous, ambiguous, and omitted text and obsolete references; eliminating certain redundant, conflicting, and superseded provisions; making miscellaneous technical corrections to statutes and other laws; amending Minnesota Statutes 1990, sections 11A.23, subdivision 2; 13.791; 82B.20, subdivision 2; 86B.115; 86B.601, subdivision 1; 88.45; 103I.112; 115A.63, subdivision 3; 115A.82; 116J.70, subdivision 2a; 176.1041, subdivision 1; 176.361, subdivision 2; 177.23, subdivision 7; 183.38, subdivision 1; 214.01, subdivision 2; 268A.09, subdivision 7; 290.10; 297A.15, subdivision 5; 298.402; 298.405, subdivision 1; 326.405; 326.43; 348.13; 352.116, subdivision 3b; 352B.10, subdivision 5; 352B.105; 356.24; 356.82; 466.131; 504.02; 514.53; 517.08, subdivision 1c; and 609.0331; Minnesota Statutes 1991 Supplement, sections 3.873, subdivision 6; 16B.122, subdivision 2; 60D.20, subdivision 1; 60G.01, subdivision 2; 116.072, subdivision 1; 116J.693, subdivision 2; 124.19, subdivision 1; 124.479; 169.983; 171.06, subdivision 3; 179A.10, subdivision 2; 256.969, subdivisions 2 and 3a; 256B.74, subdivision 2; 256H.03, subdivision 5; 272.01, subdivision 2; 272.02, subdivision 1; 275.50, subdivision 5; 340A.4055; 457A.01, subdivision 5; 473.845, subdivision 3; and 611A.02, subdivision 2; reenacting Minnesota Statutes 1991 Supplement, section 256B.431, subdivision 3f; repealing Minnesota Statutes 1990, section 326.01, subdivision 20; Laws 1989, chapter 282, article 2, section 188; Laws 1991, chapters 182, section 1; and 305, section 10.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2664, A bill for an act relating to game and fish; granting preference to elderly applicants for licenses or permits to take deer within a refuge; amending Minnesota Statutes 1990, section 97A.091, subdivision 2.

Reported the same back with the following amendments:

Page 1, line 25, delete "shall" and insert "may"

With the recommendation that when so amended the bill pass.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2683, A bill for an act relating to the city of Nashwauk; authorizing an increase in benefits payable to surviving spouses by the police relief association; amending Laws 1943, chapter 196, section 4, as amended.

Reported the same back with the following amendments:

Page 2, line 19, strike everything after the first comma

Page 2, strike line 20

Amend the title as follows:

Page 1, line 4, after the semicolon insert "repealing a surviving spouse remarriage penalty;"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 2694, A bill for an act relating to health; appropriating money to the commissioner of health to review proposals from occupations and professions seeking to be licensed or regulated.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 2696, A bill for an act relating to nursing homes; defining a residential hospice facility; modifying hospice program conditions; amending Minnesota Statutes 1990, section 144A.48, subdivision 1, and by adding a subdivision.

Reported the same back with the following amendments:

Page 2, line 34, delete "or"

Page 3, delete line 4, and insert:

"(ii) for purposes of the state building code and state uniform fire code, the facility meets Group R, Division 3 occupancy requirements for six or less persons and Group R, Division 1 occupancy requirements for seven to eight persons; or

(3) in compliance with the fire protection provisions of chapter 21 of the 1988 Life Safety Code, NFPA 101, for facilities housing persons with impractical evacuation capabilities, as a minimum."

With the recommendation that when so amended the bill pass.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 2709, A bill for an act relating to alcoholic beverages; authorizing the sale of liqueur-filled candy in confectionery stores; amending Minnesota Statutes 1990, section 31.121.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1990, section 168.012, subdivision 1, is amended to read:

Subdivision 1. (a) The following vehicles are exempt from the provisions of this chapter requiring payment of tax and registration fees, except as provided in subdivision 1c:

(1) vehicles owned and used solely in the transaction of official business by representatives of foreign powers, by the federal government, the state, or any political subdivision;

(2) vehicles owned and used exclusively by educational institutions and used solely in the transportation of pupils to and from such institutions;

(3) vehicles used solely in driver education programs at nonpublic high schools;

(4) vehicles owned by nonprofit charities and used exclusively to transport disabled persons for educational purposes;

(5) vehicles owned and used by honorary consul or consul general of foreign governments; and

(6) ambulances owned by ambulance services licensed under section 144.802, the general appearance of which is unmistakable.

(b) Vehicles owned by the federal government, municipal fire apparatus, police patrols and ambulances, the general appearance of which is unmistakable, shall not be required to register or display number plates.

(c) Unmarked vehicles used in general police work and, arson investigations, and liquor investigations, and passenger automobiles, pickup trucks, and buses owned or operated by the department of corrections shall be registered and shall display appropriate license number plates which shall be furnished by the registrar at cost. Original and renewal applications for these license plates authorized for use in general police work and for use by the department of corrections must be accompanied by a certification signed by the appropriate chief of police if issued to a police vehicle, the appropriate sheriff if issued to a sheriff's vehicle, the commissioner of corrections if issued to a department of corrections vehicle, or the appropriate officer in charge if issued to a vehicle of any other law enforcement agency. The certification must be on a form



prescribed by the commissioner and state that the vehicle will be used exclusively for a purpose authorized by this section.

(d) Unmarked vehicles used by the department of revenue in conducting seizures or criminal investigations must be registered and must display passenger vehicle classification license number plates which shall be furnished at cost by the registrar. Original and renewal applications for these passenger vehicle license plates must be accompanied by a certification signed by the commissioner of revenue. The certification must be on a form prescribed by the commissioner and state that the vehicles will be used exclusively for the purposes authorized by this section.

(e) All other motor vehicles shall be registered and display tax-exempt number plates which shall be furnished by the registrar at cost, except as provided in subdivision 1c. All vehicles required to display tax-exempt number plates shall have the name of the state department or political subdivision, or the nonpublic high school operating a driver education program, on the vehicle plainly displayed on both sides thereof in letters not less than 2-1/2 inches high and one-half inch wide; except that each state hospital and institution for the mentally ill and mentally retarded may have one vehicle without the required identification on the sides of the vehicle. Such identification shall be in a color giving contrast with that of the part of the vehicle on which it is placed and shall endure throughout the term of the registration. The identification must not be on a removable plate or placard and shall be kept clean and visible at all times; except that a removable plate or placard may be utilized on vehicles leased or loaned to a political subdivision or to a nonpublic high school driver education program.

Sec. 2. Minnesota Statutes 1990, section 340A.101, subdivision 15, is amended to read:

Subd. 15. [LICENSED PREMISES.] "Licensed premises" is the premises described in the approved license application. In the case of a restaurant, club, or exclusive liquor store licensed for on-sales of alcoholic beverages and located on a golf course, "licensed premises" means the entire golf course except for areas where motor vehicles are regularly parked or operated.

Sec. 3. Minnesota Statutes 1990, section 340A.602, is amended to read:

#### 340A.602 [CONTINUATION.]

In any city in which the report of the operations of a municipal liquor store has shown in any two of three consecutive years both (1) a net loss in any two of three consecutive years or has shown and (2) that no contribution to other municipal funds has been made from the net income of the operation in any two of three consecutive years,

the city council shall, not more than 45 days prior to the end of the fiscal year following the three-year period, hold a public hearing on the question of whether the city shall continue to operate a municipal liquor store. Two weeks notice, written in clear and easily understandable language, of the hearing must be printed in the city's official newspaper. Following the hearing the city council may on its own motion or shall upon petition of five percent or more of the registered voters of the city, submit to the voters at a general or special municipal election the question of whether the city shall continue or discontinue municipal liquor store operations by a date which the city council shall designate. The date designated by the city council must not be more than 30 months following the date of the election.

Sec. 4. [DULUTH LICENSE.]

Notwithstanding any law to the contrary, the city of Duluth may issue an on-sale intoxicating liquor license to a restaurant located at 109 North Second Avenue West in the city of Duluth. The license authorized by this section is in addition to any other licenses authorized by law. All provisions of Minnesota Statutes, chapter 340A, not inconsistent with this section apply to the license authorized by this section.

Sec. 5. [ON-SALE LICENSE; BLUE EARTH COUNTY.]

The Blue Earth county board may issue an on-sale intoxicating liquor license to a billiard hall located within South Bend township in the county, without regard to whether the licensed establishment meets the definition of "restaurant" in Minnesota Statutes, section 340A.101, subdivision 25. All other provisions of Minnesota Statutes, chapter 340A, not inconsistent with this section apply to the license authorized under this section.

Sec. 6. [LAKE TOWNSHIP; OPERATION OF LIQUOR STORE.]

Notwithstanding any other provision of law: (1) the Roseau county board may issue an off-sale retail intoxicating liquor license to the town board of Lake township in the county, and may set the fee for the license, and (2) the town board of Lake township may by majority vote establish, own, and operate an exclusive liquor store within the township for the off-sale of intoxicating liquor if the exclusive liquor store is operated under a license issued by Roseau county. The authority granted under this section does not include the authority for the town board to issue retail alcoholic beverage licenses. All provisions of Minnesota Statutes, chapter 340A that apply to the off-sale intoxicating liquor licenses, not inconsistent with this section, apply to the establishment, ownership, and operation of an exclusive liquor store under this section.

Sec. 7. [EFFECTIVE DATE.]

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

Delete the title and insert:

"A bill for an act relating to alcoholic beverages; exempting liquor investigation vehicles from taxes and registration fees; defining certain terms; clarifying certain language; authorizing issuance of certain liquor licenses and operation of a liquor store; amending Minnesota Statutes 1990, sections 168.012, subdivision 1; 340A.101, subdivision 15; and 340A.602."

With the recommendation that when so amended the bill pass.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 2723, A bill for an act relating to motor fuels; weights and measures; regulating octane and oxygenated fuels; amending Minnesota Statutes 1990, sections 41A.09, subdivision 2, and by adding a subdivision; 239.06; 239.75; 239.79; 239.80; 296.01, subdivisions 1, 2, 3, 4, 4a, 4b, 15, 24, and by adding subdivisions; 296.02, subdivisions 1, 2, and 7; Minnesota Statutes 1991 Supplement, section 239.05, subdivision 1, and by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 239; repealing Minnesota Statutes 1990, sections 239.75, subdivisions 3 and 4; 239.76, as amended; 239.79, subdivisions 1 and 2; 296.01, subdivision 2a; and 325E.09.

Reported the same back with the following amendments:

Page 5, delete section 22

Page 8, line 29, delete "petroleum" and insert "gasoline"

Page 9, line 4, delete "or"

Page 9, line 6, delete "and" and insert "or"

Page 9, after line 6, insert:

"(iii) a dye to distinguish heating fuel from low sulfur diesel fuel; and"

Page 10, after line 20, insert:

“Subd. 4. [USE OF TERM “PREMIUM.”] The term “premium” may be used only to advertise, or to identify a dispenser used to dispense, gasoline with an octane rating of 91 or greater.”

Renumber the remaining subdivisions in sequence

Page 15, line 28, delete “minimum” and insert “average”

Page 19, line 1, delete “(a)”

Page 19, line 2, strike “or”

Page 19, line 3, before “is” insert “, 239.791, or 239.792”

Page 19, delete lines 4 to 16

Page 26, after line 31, insert:

“Sec. 53. [APPROPRIATION; COMPLEMENT.]

“\$722,000 is appropriated from the general fund to the commissioner of the department of public service to be available until June 30, 1993, for octane and oxygenated fuels enforcement. The complement of the department of public service is increased by seven positions.”

Renumber the sections in sequence

Correct internal references

Amend the title as follows:

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

Page 1, line 5, delete “239.06;”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Beginch from the Committee on Labor-Management Relations to which was referred:

H. F. No. 2727, A bill for an act relating to the bureau of mediation services; eliminating the Minnesota public employment relations board; modifying arbitration procedures; amending Minnesota Stat-

utes 1990, sections 14.03, subdivision 2; 43A.06, subdivision 2; 179A.03, subdivisions 3, 5, and 17; 179A.10, subdivisions 1 and 3; 179A.12, subdivision 3; 179A.13, subdivision 3; 179A.16, subdivisions 3, 5, and 8; 179A.17; 179A.18, subdivision 1; 179A.20, subdivision 1; 179A.21, subdivisions 2 and 3; 179A.22, subdivision 4; and 179A.25; Minnesota Statutes 1991 Supplement, sections 179A.04, subdivision 3; 179A.13, subdivision 2; and 179A.16, subdivisions 4, 6, and 7; proposing coding for new law in Minnesota Statutes, chapter 179A; repealing Minnesota Statutes 1990, section 179A.05, as amended.

Reported the same back with the following amendments:

Page 5, line 8, delete "The petition"

Page 5, delete lines 9 to 13 and insert "A petition for a writ of certiorari shall be filed and served on the other party or parties and the commissioner within 30 days from the date of the mailing of the commissioner's decision. The petition shall be served on the other party or parties at their last known address."

Page 13, line 13, delete the new language

Page 13, line 14, reinstate the stricken language

Page 13, line 15, reinstate everything before the stricken "chair"

Page 13, delete line 16 and insert "board commissioner. The board commissioner shall adopt rules establishing criteria to be"

Page 13, line 17, reinstate the stricken language

With the recommendation that when so amended the bill pass.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 2732, A bill for an act relating to public utilities; removing the public service member from the telecommunications access for communication-impaired persons board; amending Minnesota Statutes 1990, section 237.51, subdivisions 2 and 6.

Reported the same back with the following amendments:

Page 1, line 10, reinstate the stricken language and delete "11"

Page 1, line 14, reinstate everything before the stricken "public" and after the stricken "service" insert "administration" and reinstate the stricken "or"

Page 1, line 15, reinstate the stricken language

Page 1, line 16, reinstate the stricken "(3)"

Page 1, lines 18, 20, 23, and 26, reinstate the stricken language and delete the new language

Page 2, line 3, reinstate the stricken language and delete the new language

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2756, A bill for an act relating to the city of Virginia; authorizing annual increases in survivor benefits payable by the Virginia firefighters relief association.

Reported the same back with the following amendments:

Page 1, line 11, after "percentage" insert "salary"

With the recommendation that when so amended the bill pass.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2784, A bill for an act relating to retirement; Minneapolis police relief association; recodifying the local laws applicable to the local relief association; amending Laws 1980, chapter 607, article XV, sections 8, 9, as amended, and 10; Laws 1989, chapter 319, article 19, sections 6 and 7, subdivisions 1 and 4, as amended; and Laws 1990, chapter 589, article 1, section 6; repealing Minnesota Statutes 1957, sections 423.71; 423.715; 423.72; 423.725; 423.73; 423.735; 423.74; 423.745; 423.75; 423.755; 423.76; 423.765; 423.77; 423.775; Special Laws 1891, chapter 143; Laws 1943, chapter

280; Laws 1949, chapter 406; Laws 1953, chapter 127; Laws 1957, chapters 721 and 939; Laws 1959, chapters 428 and 662; Laws 1961, chapter 532; Laws 1963, chapter 315; Laws 1965, chapters 493, 520, and 534; Laws 1967, chapters 820 and 825; Laws 1969, chapters 258 and 560; Laws 1973, chapters 272 and 309; Laws 1975, chapter 428; Laws 1980, chapter 607, article XV, section 21; Laws 1983, chapter 88; Laws 1987, chapters 322, sections 2, 3, 4, 5, 6, 7, and 8; and 372, article 2, sections 2, 3, 4, 6, and 15; Laws 1988, chapters 572, sections 3, 5, and 6; and 574, sections 2, 4, and 5; Laws 1990, chapter 589, article 1, section 4; and Laws 1991, chapter 90.

Reported the same back with the following amendments:

Page 9, line 18, before the first "the" insert "notwithstanding a contrary provision of Minnesota Statutes, section 69.80,"

With the recommendation that when so amended the bill pass.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2791, A bill for an act relating to state government; revising procedures governing state contracts for professional and technical services; amending Minnesota Statutes 1990, sections 15.061; 16B.17; and 16B.19, subdivisions 2 and 10.

Reported the same back with the following amendments:

Page 1, after line 18, insert:

"Sec. 2. Minnesota Statutes 1990, section 16B.07, subdivision 3, is amended to read:

Subd. 3. [PUBLICATION OF NOTICE; EXPENDITURES OVER ~~\$15,000~~ \$25,000 AND REQUESTS FOR PROPOSAL.] If the amount of an expenditure or sale is estimated to exceed ~~\$15,000~~ \$25,000, sealed bids or requests for proposal as provided in section 16B.08, subdivision 4, clause (b), must be solicited by public notice inserted at least once in a newspaper or trade journal not less than seven days before the final date of submitting bids. The commissioner shall designate the newspaper or trade journal for that publication, and may designate different newspapers or journals according to the nature of the purchase or contract. The commissioner shall also solicit sealed bids by sending notices by mail to all prospective bidders known to the commissioner, and by posting

notice on a public bulletin board in the commissioner's office at least five days before the final date of submitting bids. All bids must be sealed when they are received and must be opened in public at the hour stated in the notice. All original bids and all documents pertaining to the award of a contract must be retained and made a part of a permanent file or record and remain open to public inspection.

Sec. 3. Minnesota Statutes 1990, section 16B.07, subdivision 4, is amended to read:

Subd. 4. [PURCHASES, SALES, OR RENTALS; ~~\$15,000~~ \$25,000 OR LESS.] All purchases or sales the amount of which is estimated to be ~~\$15,000~~ \$25,000 or less may be made either upon competitive bids or in the open market, in the discretion of the commissioner. So far as practicable, however, they must be based on at least three competitive bids which must be permanently recorded.

Sec. 4. Minnesota Statutes 1990, section 16B.08, subdivision 4, is amended to read:

Subd. 4. [NEGOTIATED CONTRACTS.] (a) In lieu of any of the other requirements of this chapter, the commissioner may negotiate a contract for public work to be performed at a state-owned institution or installation if the cost does not exceed ~~\$15,000~~ \$25,000 and if the head of the affected state agency requests the commissioner to do so. The commissioner shall have prepared whatever plans and specifications for the public work deemed necessary by the commissioner to protect the public interest. Contractor's bonds or security pursuant to chapter 574 are not required for contracts entered into pursuant to this subdivision.

(b) In lieu of the requirement for competitive bidding in section 16B.07, subdivision 1, purchases and contracts may be negotiated in those circumstances determined by the commissioner, and in any of those circumstances the commissioner shall advertise for a request for proposal as a basis for negotiation."

Page 4, after line 24, insert:

"Sec. 8. Minnesota Statutes 1990, section 473.523, is amended to read:

473.523 [CONTRACTS FOR CONSTRUCTION MATERIALS, SUPPLIES, AND EQUIPMENT.]

Subdivision 1. No contract for any construction work, or for the purchase of materials, supplies, or equipment, costing more than ~~\$15,000~~ \$25,000 shall be made by the commission without publishing once in a legal newspaper or trade paper published in a city of



the first class not less than two weeks before the last day for submission of bids, notice that bids or proposals will be received. Such notice shall state the nature of the work or purchase and the terms and conditions upon which the contract is to be awarded, and a time and place where such bids will be received, opened, and read publicly. After such bids have been duly received, opened, read publicly, and recorded, the commission shall award such contract to the lowest responsible bidder or it may reject all bids and readvertise. Each contract shall be duly executed in writing and the party to whom the contract is awarded shall give sufficient bond or security to the board for the faithful performance of the contract as required by law. The commission shall have the right to set qualifications and specifications and to require bids to meet all such qualifications and specifications before being accepted. If the commission by an affirmative vote of two-thirds of its members declares that an emergency exists requiring the immediate purchase of materials or supplies at a cost in excess of ~~\$15,000~~ \$25,000 or in making emergency repairs, it shall not be necessary to advertise for bids.

Subd. 2. The administrator may, without prior approval of the commission and without advertising for bids, enter into any contract of the type referred to in subdivision 1 which is not in excess of ~~\$15,000~~ \$25,000."

Page 4, delete lines 26 and 27 and insert:

"Sections 2, 3, and 8 are effective July 1, 1992. Sections 1 and 4 to 7 are effective January 1, 1993. Sections 1 to 8 apply to contracts entered into after the effective date of each section."

Renumber the sections in sequence

Delete the title and insert:

"A bill for an act relating to state government; revising procedures governing state contracts for professional and technical services; increasing the contract amount for certain requirements to apply; amending Minnesota Statutes 1990, sections 15.061; 16B.07, subdivisions 3 and 4; 16B.08, subdivision 4; 16B.17; 16B.19, subdivisions 2 and 10; and 473.523."

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 2822, A bill for an act relating to commerce; defining the

responsibilities of ski area operators and skiers; defining the rights and liabilities between skiers and between a skier and a ski area operator; proposing coding for new law as Minnesota Statutes, chapter 86C.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Judiciary.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2827, A bill for an act relating to public safety officers; defining firefighters for purposes of the public safety officer's survivor benefits law; providing education benefits under the survivor law to eligible dependents attending technical colleges; amending Minnesota Statutes 1990, section 299A.41, subdivision 4; Minnesota Statutes 1991 Supplement, section 299A.45, subdivision 1.

Reported the same back with the following amendments:

Page 2, line 2, delete "disposal" and insert "responder"

Page 2, delete lines 20 to 36

Amend the title as follows:

Page 1, line 4, delete "providing education"

Page 1, delete line 5

Page 1, line 6, delete everything before "amending"

Page 1, line 7, delete the semicolon and insert a period

Page 1, delete lines 8 and 9

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, I., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2854, A bill for an act relating to the city of Hibbing; providing for membership terms for the Hibbing public safety commission; providing for the size of the public utilities commission; providing for its compensation; amending Laws 1949, chapter 422, section 2, as amended.

Reported the same back with the following amendments:

Page 2, after line 20, insert:

“Sec. 3. Minnesota Statutes 1990, section 375.18, is amended by adding a subdivision to read:

Subd. 15. [COUNTY NEWSLETTER.] Each county board may prepare, publish, and distribute a county newsletter that reports on timely issues and presents other information useful to county residents and governmental agencies. The newsletter may be published at intervals determined by the county board and may be distributed by direct mailing or by other means.”

Page 2, line 21, delete “3” and insert “4”

Page 2, line 22, delete “This act takes” and insert “Sections 1 and 2 take”

Amend the title as follows:

Page 1, line 2, delete “the city of Hibbing” and insert “local government”

Page 1, line 3, before “Hibbing” insert “city of”

Page 1, line 4, before “public” insert “Hibbing”

Page 1, line 5, after the second semicolon insert “authorizing boards of counties to publish newsletters;”

Page 1, line 6, after “amending” insert “Minnesota Statutes 1990, section 375.18, by adding a subdivision;”

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2910, A bill for an act relating to the environment; providing that a public information meeting must be held before a sanitary district may be created; providing for a hearing; amending Minnesota Statutes 1990, sections 115.19; and 115.20, subdivisions 1, 2, 3, 4, 5, and 6.

Reported the same back with the following amendments:

Page 5, line 12, delete everything after the period and insert “The mailed copy must state the date that the notice will appear in the State Register. Copies need not be sent by registered mail.”

Page 5, line 13, delete “not required.”

Page 5, after line 13, insert:

“(1) describe the petition for creation of the district;”

Page 5, line 19, delete “or”

Page 5, line 20, delete everything before the semicolon

Renumber the clauses in sequence

With the recommendation that when so amended the bill pass.

The report was adopted.

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 2913, A bill for an act relating to human services; providing for HIV minimum standards; providing for HIV training in chemical dependency treatment programs; expanding exclusion from licensure; providing for integration of residential programs; delegating authority to enforce uniform fire code; setting adult foster care license capacity; amending Minnesota Statutes 1990, sections 245A.02, by adding a subdivision; 245A.07, subdivisions 2 and 3; 245A.11; and 299F.011, subdivision 4a; Minnesota Statutes 1991 Supplement, sections 245A.03, subdivision 2; 245A.04, subdivision 3; and 245A.16, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 245A; repealing Minnesota Statutes 1990, sections 245A.11, subdivision 5; 245A.14, subdivision 5; and 245A.17.

Reported the same back with the following amendments:

Page 12, line 5, delete everything after the period

Page 12, delete lines 6 to 8

Page 13, after line 27, insert:

“Sec. 9. Minnesota Statutes 1990, section 256C.28, subdivision 2, is amended to read:

Subd. 2. [REMOVAL; VACANCIES; ~~EXPIRATION.~~] The compensation, removal of members, and filling of vacancies on the council are as provided in section 15.0575. ~~The council expires as provided in section 15.059, subdivision 5.~~

Sec. 10. Minnesota Statutes 1990, section 256C.28, subdivision 3, is amended to read:

Subd. 3. [DUTIES.] The council shall:

(1) advise ~~the commissioner,~~ the governor, ~~and the legislature,~~ and the commissioners of the departments of human services, education, jobs and training, and health on the nature of the issues and disabilities confronting hearing impaired persons in Minnesota;

(2) advise ~~the commissioner,~~ the governor, ~~and the legislature,~~ and the commissioners of the departments of human services, education, jobs and training, and health on the development of policies, programs, and services affecting hearing impaired persons, and on the use of appropriate federal and state money;

(3) create a public awareness of the special needs and potential of hearing impaired persons;

(4) provide ~~the commissioner,~~ the governor, ~~and the legislature,~~ and the commissioners of the departments of human services, education, jobs and training, and health with a review of ongoing services, programs, and proposed legislation affecting hearing impaired persons;

(5) advise ~~the commissioner,~~ the governor, ~~and the legislature,~~ and the commissioners of the departments of human services, education, jobs and training, and health on statutes or rules necessary to ensure that hearing impaired persons have access to benefits and services provided to individuals in Minnesota;

(6) recommend to ~~the commissioner,~~ the governor, ~~and the legislature,~~ and the commissioners of the departments of human services, education, jobs and training, and health legislation designed

to improve the economic and social conditions of hearing impaired persons in Minnesota;

(7) propose solutions to problems of hearing impaired persons in the areas of education, employment, human rights, human services, health, housing, and other related programs;

(8) recommend to the governor and the legislature any needed revisions in the state's affirmative action program and any other steps necessary to eliminate the underemployment or unemployment of hearing impaired persons in the state's work force;

(9) work with other state and federal agencies and organizations to promote economic development for hearing impaired Minnesotans; and

(10) coordinate its efforts with other state and local agencies serving hearing impaired persons."

Page 14, line 19, delete "licensed" and insert "subject to licensure"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 8, after the semicolon insert "eliminating expiration of the council for the hearing impaired; changing duties of the council for the hearing impaired;"

Page 1, line 10, after the second semicolon insert "256C.28, subdivisions 2 and 3;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 699, 905, 1133, 1817, 1996, 1997, 2060, 2063, 2135, 2152, 2180, 2198, 2251, 2280, 2286, 2346, 2426, 2541, 2544, 2579, 2585, 2587, 2647, 2664, 2683, 2696, 2709, 2727, 2732, 2756, 2784, 2791, 2827, 2854 and 2910 were read for the second time.

**SECOND READING OF SENATE BILLS**

S. F. Nos. 1689 and 2210 were read for the second time.

**INTRODUCTION AND FIRST READING  
OF HOUSE BILLS**

The following House Files were introduced:

Rest introduced:

H. F. No. 2965, A bill for an act relating to public finance; providing conditions and requirements for issuance of debt and for the financial obligations of authorities; exempting certain securities from registration requirements; defining acceptable securities for use by self-insurers for workers' compensation; amending Minnesota Statutes 1990, sections 80A.15, subdivision 1; 176.181, subdivision 2, and by adding subdivisions; 429.091, subdivision 2; and 469.015, subdivision 4; Minnesota Statutes 1991 Supplement, sections 469.155, subdivision 12; and 475.66, subdivision 3.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Jaros introduced:

H. F. No. 2966, A bill for an act relating to Duluth; authorizing the Spirit Mountain recreation area authority to engage in business activities outside the Spirit Mountain recreation area; amending Laws 1973, chapter 327, section 5, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Clark and Greenfield introduced:

H. F. No. 2967, A bill for an act relating to human services; modifying requirements for earned income savings accounts for residents of residential facilities; requiring the signature of a representative of the residential facility before money may be withdrawn; amending Minnesota Statutes 1991 Supplement, section 256D.06, subdivision 1b.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Bertram, Kalis and Simoneau introduced:

H. F. No. 2968, A bill for an act relating to appropriations; validating certain appropriations for volunteer firefighters' supplemental benefits; limiting appropriations; appropriating money; amending Minnesota Statutes 1990, section 424A.10, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Appropriations.

Marsh, Gruenes, Omann, Bauerly and Bertram introduced:

H. F. No. 2969, A bill for an act relating to capital improvements; authorizing bonds and appropriating money for capital planning for the St. Cloud state university library.

The bill was read for the first time and referred to the Committee on Appropriations.

Runbeck; Leppik; Nelson, K.; Weaver and McEachern introduced:

H. F. No. 2970, A bill for an act relating to education; appropriating money to match a grant from the National Science Foundation for a systemic initiative in science and math education.

The bill was read for the first time and referred to the Committee on Education.

O'Connor, Sarna and Anderson, I., introduced:

H. F. No. 2971, A bill for an act relating to commerce; restraint of trade; providing an evidentiary presumption in resale price maintenance cases; proposing coding for new law in Minnesota Statutes, chapter 325D.

The bill was read for the first time and referred to the Committee on Commerce.

Jaros introduced:

H. F. No. 2972, A bill for an act relating to taxation; income and franchise; providing that certain sales are made without the state; amending Minnesota Statutes 1990, section 290.191, subdivision 5.

The bill was read for the first time and referred to the Committee on Taxes.



Johnson, A.; Rest; Simoneau; Carlson and Leppik introduced:

H. F. No. 2973, A bill for an act relating to education; converting the tax capacity rate on existing referendums; amending Minnesota Statutes 1991 Supplement, section 124A.03, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Education.

Smith, Begich, McEachern, Jaros and Dempsey introduced:

H. F. No. 2974, A bill for an act relating to taxation; property; exempting property owned by nonprofit associations used as ice arenas; amending Minnesota Statutes 1991 Supplement, section 272.02, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

#### HOUSE ADVISORIES

The following House Advisory was introduced:

Osthoff and Abrams introduced:

H. A. No. 40, A proposal to study the issue of legislative oversight of gambling activities conducted on Indian Reservations.

The advisory was referred to the Committee on General Legislation, Veterans Affairs and Gaming.

#### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Madam Speaker:

I hereby announce the passage by the Senate of the following House Files, herewith returned:

H. F. No. 917, A bill for an act relating to commerce; requiring additional license for motor vehicle lessor, wholesaler, or auctioneer when establishing additional place of doing business in a second class city outside of the metropolitan area; amending Minnesota Statutes 1990, section 168.27, subdivision 10.

H. F. No. 2044, A bill for an act relating to water; creating an exemption from certain requirements relating to once-through water use permits; amending Minnesota Statutes 1990, section 103G.271, subdivision 5.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 2259, A bill for an act relating to retirement; setting an earlier accrual date for a certain retired member of the state retirement system.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 2307, 2385, 2011, 2227, 1919, 1638 and 1773.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 2307, A bill for an act relating to elections; changing deadlines for certain statutory cities to abolish the ward system; amending Minnesota Statutes 1990, section 412.023, subdivision 4.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

S. F. No. 2385, A bill for an act relating to elections; special school district No. 1; allowing special school district No. 1 to change the years of its elections; amending Laws 1959, chapter 462, section 3, as amended.

The bill was read for the first time.

Jefferson moved that S. F. No. 2385 and H. F. No. 2585, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2011, A bill for an act relating to waters; granting sheriffs power to bar vehicles from unsafe ice; eliminating the appeal to the commissioner of natural resources from a sheriff's decision; amending Minnesota Statutes 1990, section 86B.121; proposing coding for new law in Minnesota Statutes, chapter 86B.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

S. F. No. 2227, A bill for an act relating to landlords and tenants; changing the interest rate required on a rental deposit; amending Minnesota Statutes 1990, section 504.20, subdivision 2.

The bill was read for the first time.

Jennings moved that S. F. No. 2227 and H. F. No. 2475, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1919, A bill for an act relating to trade regulations; regulating telephone advertising services; providing penalties and remedies; amending Minnesota Statutes 1990, section 8.31, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 325E.

The bill was read for the first time.

Olsen, S., moved that S. F. No. 1919 and H. F. No. 1751, now on the Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1638, A bill for an act relating to counties; permitting county offices to be filled by special election; amending Minnesota Statutes 1990, sections 375.08; and 375.101, subdivision 1.

The bill was read for the first time.

Wenzel moved that S. F. No. 1638 and H. F. No. 1860, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1773, A bill for an act relating to cities and counties; permitting the appointment of citizen budget advisory committees; proposing coding for new law in Minnesota Statutes, chapter 471.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

## CONSENT CALENDAR

H. F. No. 2034, A bill for an act relating to health; allowing persons who voluntarily provide assistance at the scene of an accident to obtain test results to determine whether they have been exposed to HIV or hepatitis B; amending Minnesota Statutes 1990, section 144.761, subdivision 5.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Ferichs	Kinkel	Olsen, S.	Skoglund
Anderson, I.	Garcia	Knickerbocker	Olson, E.	Smith
Anderson, R.	Girard	Koppendrayer	Olson, K.	Solberg
Anderson, R. H.	Goodno	Krambeer	Omnn	Sparby
Battaglia	Greenfield	Krinkie	Onnen	Stanius
Bauerly	Gruenes	Krueger	Orenstein	Steensma
Beard	Gutknecht	Lasley	Orfield	Sviggum
Begich	Hanson	Leppik	Osthoff	Swenson
Bertram	Hartle	Lieder	Ostrom	Thompson
Bettermann	Hasskamp	Limmer	Ozment	Tompkins
Bishop	Haukoos	Lourey	Pauly	Trimble
Blatz	Hausman	Lynch	Pellow	Tunheim
Bodahl	Heir	Macklin	Pelowski	Uphus
Boo	Henry	Mariani	Peterson	Valento
Brown	Hufnagle	Marsh	Pugh	Vanasek
Carlson	Hugoson	McEachern	Reding	Vellenga
Carruthers	Jacobs	McGuire	Rest	Wagenius
Clark	Janezich	McPherson	Rice	Waltman
Cooper	Jaros	Milbert	Rodosovich	Weaver
Dauner	Jefferson	Morrison	Rukavina	Wejzman
Davids	Jennings	Munger	Runbeck	Welker
Dawkins	Johnson, A.	Murphy	Sarna	Welle
Dempsey	Johnson, R.	Nelson, K.	Schafer	Wenzel
Dorn	Johnson, V.	Nelson, S.	Schreiber	Winter
Erhardt	Kahn	Newinski	Seaberg	Spk. Long
Farrell	Kalis	O'Connor	Segal	
Frederick	Kelso	Ogren	Simoneau	

The bill was passed and its title agreed to.

H. F. No. 2081, A bill for an act relating to health; modifying provider appeal requirements for medical assistance; amending Minnesota Statutes 1990, section 256B.50, subdivision 1b.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Kelso	Ogren	Simoneau
Anderson, I.	Frerichs	Kinkel	Olsen, S.	Skoglund
Anderson, R.	Garcia	Knickerbocker	Olson, E.	Smith
Anderson, R. H.	Girard	Koppendrayner	Olson, K.	Solberg
Battaglia	Goodno	Krambeer	Omann	Sparby
Bauerly	Greenfield	Krinkie	Onnen	Stanius
Beard	Gruenes	Krueger	Orenstein	Steenasma
Begich	Gutknecht	Lasley	Orfield	Sviggum
Bertram	Hanson	Leppik	Osthoff	Swenson
Bettermann	Hartle	Lieder	Ostrom	Tompson
Bishop	Hasskamp	Limmer	Ozment	Tompkins
Blatz	Haukoos	Lourey	Pauly	Trimble
Bodahl	Hausman	Lynch	Pellow	Tunheim
Boo	Heir	Macklin	Pelowski	Uphus
Brown	Henry	Mariani	Peterson	Valento
Carlson	Hufnagle	Marsh	Pugh	Vanasek
Carruthers	Hugoson	McEachern	Reding	Wagenius
Clark	Jacobs	McGuire	Rest	Waltman
Cooper	Janezich	McPherson	Rice	Weaver
Dauner	Jaros	Milbert	Rodosovich	Wejzman
Dauids	Jefferson	Morrison	Rukavina	Welker
Dawkins	Jennings	Munger	Runbeck	Welle
Dempsey	Johnson, A.	Murphy	Sarna	Wenzel
Dille	Johnson, R.	Nelson, K.	Schafer	Winter
Dorn	Johnson, V.	Nelson, S.	Schreiber	Spk. Long
Erhardt	Kahn	Newinski	Seaberg	
Farrell	Kalis	O'Connor	Segal	

The bill was passed and its title agreed to.

H. F. No. 2082, A bill for an act relating to utilities; requiring rules for tracing calls made to a household that has received harassing calls; proposing coding for new law in Minnesota Statutes, chapter 237.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Brown	Frerichs	Hufnagle	Knickerbocker
Anderson, I.	Carlson	Garcia	Hugoson	Koppendrayner
Anderson, R.	Carruthers	Girard	Jacobs	Krambeer
Anderson, R. H.	Clark	Goodno	Janezich	Krinkie
Battaglia	Cooper	Greenfield	Jarzich	Krueger
Bauerly	Dauner	Gruenes	Jefferson	Lasley
Beard	Dauids	Gutknecht	Jennings	Leppik
Begich	Dawkins	Hanson	Johnson, A.	Lieder
Bertram	Dempsey	Hartle	Johnson, R.	Limmer
Bettermann	Dille	Hasskamp	Johnson, V.	Lourey
Bishop	Dorn	Haukoos	Kahn	Lynch
Blatz	Erhardt	Hausman	Kalis	Macklin
Bodahl	Farrell	Heir	Kelso	Mariani
Boo	Frederick	Henry	Kinkel	Marsh

McEachern	Olson, E.	Pugh	Skoglund	Valento
McGuire	Olson, K.	Reding	Smith	Vanasek
McPherson	Omann	Rest	Solberg	Vellenga
Milbert	Onnen	Rice	Sparby	Wagenius
Morrison	Orenstein	Rodosovich	Stanius	Waltman
Munger	Orfield	Rukavina	Steensma	Weaver
Murphy	Osthoff	Runbeck	Sviggum	Wejcman
Nelson, K.	Ostrom	Sarna	Swenson	Welker
Nelson, S.	Ozment	Schafer	Thompson	Welle
Newinski	Pauly	Schreiber	Tompkins	Wenzel
O'Connor	Pellow	Seaberg	Trimble	Winter
Ogren	Pelowski	Segal	Tunheim	Spk. Long
Olsen, S.	Peterson	Simoneau	Uphus	

The bill was passed and its title agreed to.

H. F. No. 2254, A bill for an act relating to occupations and professions; clarifying membership requirements for the board of pharmacy; amending Minnesota Statutes 1991 Supplement, section 151.03.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Kelso	Ogren	Simoneau
Anderson, I.	Frerichs	Kinkel	Olsen, S.	Skoglund
Anderson, R.	Garcia	Knickerbocker	Olson, E.	Smith
Anderson, R. H.	Girard	Koppendrayer	Olson, K.	Solberg
Battaglia	Goodno	Krambeer	Omann	Sparby
Bauerly	Greenfield	Krinkie	Onnen	Stanius
Beard	Gruenes	Krueger	Orenstein	Steensma
Begich	Gutknecht	Lasley	Orfield	Sviggum
Bertram	Hanson	Leppik	Osthoff	Swenson
Bettermann	Hartle	Lieder	Ostrom	Thompson
Bishop	Hasskamp	Limmer	Ozment	Tompkins
Blatz	Haukoos	Lourey	Pauly	Trimble
Bodahl	Hausman	Lynch	Pellow	Tunheim
Boo	Heir	Macklin	Pelowski	Uphus
Brown	Henry	Mariani	Peterson	Valento
Carlson	Hufnagle	Marsh	Pugh	Vanasek
Carruthers	Hugoson	McEachern	Reding	Vellenga
Clark	Jacobs	McGuire	Rest	Wagenius
Cooper	Janezich	McPherson	Rice	Waltman
Dauner	Jaros	Milbert	Rodosovich	Weaver
Davids	Jefferson	Morrison	Rukavina	Wejcman
Dawkins	Jennings	Munger	Runbeck	Welker
Dempsey	Johnson, A.	Murphy	Sarna	Welle
Dille	Johnson, R.	Nelson, K.	Schafer	Wenzel
Dorn	Johnson, V.	Nelson, S.	Schreiber	Winter
Erhardt	Kahn	Newinski	Seaberg	Spk. Long
Farrell	Kalis	O'Connor	Segal	

The bill was passed and its title agreed to.

H. F. No. 2369, A bill for an act relating to retirement; authorizing a benefit increase for certain retired police officers and surviving spouses in the city of Thief River Falls.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frerichs	Kinkel	Olsen, S.	Skogtund
Anderson, I.	Garcia	Knickerbocker	Olson, E.	Smith
Anderson, R.	Girard	Koppendraye	Olson, K.	Solberg
Anderson, R. H.	Goodno	Krambeer	Omann	Sparby
Battaglia	Greenfield	Krinkie	Onnen	Stanius
Bauerly	Gruenes	Krueger	Orenstein	Steensma
Beard	Gutknecht	Lasley	Orfield	Sviggum
Begich	Hanson	Leppik	Osthoff	Swenson
Bertram	Hartle	Lieder	Ostrom	Thompson
Bettermann	Hasskamp	Limmer	Ozment	Tompkins
Bishop	Haukoos	Lourey	Pauly	Trimble
Blatz	Hausman	Lynch	Pellow	Tunheim
Bodahl	Heir	Macklin	Pelowski	Uphus
Boo	Henry	Mariani	Peterson	Valento
Carlson	Hufnagle	Marsh	Pugh	Vanasek
Carruthers	Hugoson	McEachern	Reding	Vellenga
Clark	Jacobs	McGuire	Rest	Wagenius
Cooper	Janezich	McPherson	Rice	Waltman
Dauner	Jaros	Milbert	Rodosovich	Weaver
Davids	Jefferson	Morrison	Rukavina	Wejeman
Dawkins	Jennings	Munger	Runbeck	Welker
Dempsey	Johnson, A.	Murphy	Sarna	Welle
Dille	Johnson, R.	Nelson, K.	Schafer	Wenzel
Dorn	Johnson, V.	Nelson, S.	Schreiber	Winter
Erhardt	Kahn	Newinski	Seaberg	Spk. Long
Farrell	Kalis	O'Connor	Segal	
Frederick	Kelso	Ogren	Simoneau	

The bill was passed and its title agreed to.

H. F. No. 2577, A bill for an act relating to towns; authorizing town boards to disclaim and extinguish a town interest in abandoned town roads; amending Minnesota Statutes 1990, section 164.06.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Anderson, R.	Battaglia	Beard	Bertram
Anderson, I.	Anderson, R. H.	Bauerly	Begich	Bettermann

Bishop	Hanson	Krueger	Omann	Smith
Blatz	Hartle	Lasley	Onnen	Solberg
Bodahl	Hasskamp	Leppik	Orenstein	Sparby
Boo	Haukoos	Lieder	Orfield	Stanius
Brown	Hausman	Limmer	Osthoff	Steensma
Carlson	Heir	Lourey	Ostrom	Sviggum
Carruthers	Henry	Lynch	Ozment	Swenson
Clark	Hufnagle	Macklin	Pauly	Thompson
Cooper	Hugoson	Mariani	Pellow	Tompkins
Dauner	Jacobs	Marsh	Pelowski	Trimble
Davids	Janezich	McEachern	Peterson	Tunheim
Dawkins	Jaros	McGuire	Pugh	Uphus
Dempsey	Jefferson	McPherson	Reding	Valento
Dille	Jennings	Milbert	Rest	Vanasek
Dorn	Johnson, A.	Morrison	Rice	Vellenga
Erhardt	Johnson, R.	Munger	Rodosovich	Wagenius
Farrell	Johnson, V.	Murphy	Rukavina	Waltman
Frederick	Kahn	Nelson, K.	Runbeck	Weaver
Frerichs	Kalis	Nelson, S.	Sarna	Wejcmann
Garcia	Kelso	Newinski	Schafer	Welker
Girard	Kinkel	O'Connor	Schreiber	Welle
Goodno	Knickerbocker	Ogren	Seaberg	Wenzel
Greenfield	Koppndrayer	Olsen, S.	Segal	Winter
Gruenes	Krambeer	Olson, E.	Simoneau	Spk. Long
Gutknecht	Krinkie	Olson, K.	Skoglund	

The bill was passed and its title agreed to.

H. F. No. 2704, A bill for an act relating to state government; increasing the size of the council on Asian-Pacific Minnesotans; providing for representation of various Asian-Pacific communities on the council; amending Minnesota Statutes 1991 Supplement, section 3.9226, subdivision 1.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Clark	Hanson	Kahn	Marsh
Anderson, I.	Cooper	Hartle	Kalis	McEachern
Anderson, R.	Dauner	Hasskamp	Kelso	McGuire
Anderson, R. H.	Davids	Haukoos	Kinkel	McPherson
Battaglia	Dawkins	Hausman	Knickerbocker	Milbert
Bauerly	Dille	Heir	Koppndrayer	Morrison
Beard	Dorn	Henry	Krambeer	Munger
Begich	Erhardt	Hufnagle	Krinkie	Murphy
Bertram	Farrell	Hugoson	Krueger	Nelson, K.
Bettermann	Frederick	Jacobs	Lasley	Nelson, S.
Bishop	Frerichs	Janezich	Leppik	Newinski
Blatz	Garcia	Jaros	Lieder	O'Connor
Bodahl	Girard	Jefferson	Limmer	Ogren
Boo	Goodno	Jennings	Lourey	Olsen, S.
Brown	Greenfield	Johnson, A.	Lynch	Olson, E.
Carlson	Gruenes	Johnson, R.	Macklin	Omann
Carruthers	Gutknecht	Johnson, V.	Mariani	Onnen



Orenstein	Reding	Segal	Thompson	Weaver
Orfield	Rest	Simoneau	Tompkins	Wejcman
Osthoff	Rice	Skoglund	Trimble	Welker
Ostrom	Rodosovich	Smith	Tunheim	Welle
Ozment	Rukavina	Solberg	Uphus	Wenzel
Pauly	Runbeck	Sparby	Valento	Winter
Pellow	Sarna	Stanius	Vanasek	Spk. Long
Pelowski	Schafer	Steensma	Vellenga	
Peterson	Schreiber	Sviggum	Wagenius	
Pugh	Seaberg	Swenson	Waltman	

The bill was passed and its title agreed to.

H. F. No. 2711, A bill for an act relating to counties; establishing procedures for filling certain vacancies on county boards by general election; amending Minnesota Statutes 1990, section 375.101, by adding a subdivision.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frerichs	Kinkel	Olsen, S.	Smith
Anderson, I.	Garcia	Knickerbocker	Olson, K.	Solberg
Anderson, R.	Girard	Koppendrayner	Omann	Sparby
Anderson, R. H.	Goodno	Krambeer	Onnen	Stanius
Battaglia	Greenfield	Krinkie	Orenstein	Steensma
Bauerly	Gruenes	Krueger	Orfield	Sviggum
Beard	Gutknecht	Lasley	Osthoff	Swenson
Begich	Hanson	Leppik	Ostrom	Thompson
Bertram	Hartle	Lieder	Ozment	Tompkins
Bettermann	Hasskamp	Limmer	Pauly	Trimble
Bishop	Haukoos	Lourey	Pellow	Tunheim
Blatz	Hausman	Lynch	Pelowski	Uphus
Bodahl	Heir	Macklin	Peterson	Valento
Boo	Henry	Mariani	Pugh	Vanasek
Carlson	Hufnagle	Marsh	Reding	Vellenga
Carruthers	Hugoson	McEachern	Rest	Wagenius
Clark	Jacobs	McGuire	Rice	Waltman
Cooper	Janezich	McPherson	Rodosovich	Weaver
Dauner	Jaros	Milbert	Rukavina	Wejcman
Dauids	Jefferson	Morrison	Runbeck	Welker
Dawkins	Jennings	Munger	Sarna	Welle
Dempsey	Johnson, A.	Murphy	Schafer	Wenzel
Dille	Johnson, R.	Nelson, K.	Schreiber	Winter
Dorn	Johnson, V.	Nelson, S.	Seaberg	Spk. Long
Erhardt	Kahn	Newinski	Segal	
Farrell	Kalis	O'Connor	Simoneau	
Frederick	Kelso	Ogren	Skoglund	

The bill was passed and its title agreed to.

H. F. No. 2744, A bill for an act relating to the department of

employee relations; modifying expense account terms and uses; amending Minnesota Statutes 1991 Supplement, section 43A.48.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Kelso	Ogren	Simoneau
Anderson, I.	Frerichs	Kinkel	Olsen, S.	Skoglund
Anderson, R.	Garcia	Knickerbocker	Olson, E.	Smith
Anderson, R. H.	Girard	Koppendray	Olson, K.	Solberg
Battaglia	Goodno	Krambeer	Omann	Sparby
Bauerly	Greenfield	Krinkie	Onnen	Stanius
Beard	Gruenes	Krueger	Orenstein	Steenasma
Begich	Gutknecht	Lasley	Orfield	Sviggum
Bertram	Hanson	Leppik	Osthoff	Swenson
Bettermann	Hartle	Lieder	Ostrom	Thompson
Bishop	Hasskamp	Limmer	Ozment	Tompkins
Blatz	Haukoos	Lourey	Pauly	Trimble
Bodahl	Hausman	Lynch	Pellow	Tunheim
Boo	Heir	Macklin	Pelowski	Uphus
Brown	Henry	Mariani	Peterson	Valento
Carlson	Hufnagle	Marsh	Pugh	Vanasek
Carruthers	Hugoson	McEachern	Reding	Vellenga
Clark	Jacobs	McGuire	Rest	Wagenius
Cooper	Janezich	McPherson	Rice	Waltman
Dauner	Jaros	Milbert	Rodosovich	Weaver
Davids	Jefferson	Morrison	Rukavina	Wejcman
Dawkins	Jennings	Munger	Runbeck	Welker
Dempsey	Johnson, A.	Murphy	Sarna	Welle
Dille	Johnson, R.	Nelson, K.	Schafer	Wenzel
Dorn	Johnson, V.	Nelson, S.	Schreiber	Winter
Erhardt	Kahn	Newinski	Seaberg	Spk. Long
Farrell	Kalis	O'Connor	Segal	

The bill was passed and its title agreed to.

H. F. No. 2792, A bill for an act relating to retirement; providing level benefits for members of the Minneapolis fire department relief association.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Anderson, R.	Battaglia	Beard	Bertram
Anderson, I.	Anderson, R. H.	Bauerly	Begich	Bettermann

Bishop	Hanson	Krueger	Omann	Smith
Blatz	Hartle	Lasley	Onnen	Solberg
Bodahl	Hasskamp	Leppik	Orenstein	Sparby
Boo	Haukoos	Lieder	Orfield	Stanius
Brown	Hausman	Limmer	Osthoff	Steensma
Carlson	Heir	Lourey	Ostrom	Sviggum
Carruthers	Henry	Lynch	Ozment	Swenson
Clark	Hufnagle	Macklin	Pauly	Thompson
Cooper	Hugoson	Mariani	Pellow	Tompkins
Dauner	Jacobs	Marsh	Pelowski	Trimble
Davids	Janezich	McEachern	Peterson	Tunheim
Dawkins	Jaros	McGuire	Pugh	Uphus
Dempsey	Jefferson	McPherson	Reding	Valento
Dille	Jennings	Milbert	Rest	Vanasek
Dorn	Johnson, A.	Morrison	Rice	Vellenga
Erhardt	Johnson, R.	Munger	Rodosovich	Wagenius
Farrell	Johnson, V.	Murphy	Rukavina	Waltman
Frederick	Kahn	Nelson, K.	Runbeck	Weaver
Frerichs	Kalis	Nelson, S.	Sarna	Wejcman
Garcia	Kelso	Newinski	Schafer	Welker
Girard	Kinkel	O'Connor	Schreiber	Welle
Goodno	Knickerbocker	Ogren	Seaberg	Wenzel
Greenfield	Koppendrayer	Olsen, S.	Segal	Winter
Gruenes	Krambeer	Olson, E.	Simoneau	Spk. Long
Gutknecht	Krinkie	Olson, K.	Skoglund	

The bill was passed and its title agreed to.

### GENERAL ORDERS

Welle moved that the bills on General Orders for today be continued. The motion prevailed.

### MOTIONS AND RESOLUTIONS

Mariani moved that the names of Kalis and Garcia be added as authors on H. F. No. 2375. The motion prevailed.

Greenfield moved that the name of Gutknecht be added as an author on H. F. No. 2696. The motion prevailed.

Heir moved that the name of Peterson be added as an author on H. F. No. 2723. The motion prevailed.

Erhardt moved that the name of Olsen, S., be added as an author on H. F. No. 2935. The motion prevailed.

Bauerly moved that the name of Gruenes be added as an author on H. F. No. 2961. The motion prevailed.

Trimble moved that H. F. No. 117 be recalled from the Committee on Health and Human Services and be re-referred to the Committee

on General Legislation, Veterans Affairs and Gaming. The motion prevailed.

Bodahl moved that H. F. No. 2451 be recalled from the Committee on Ways and Means and be re-referred to the Committee on Appropriations. The motion prevailed.

Hasskamp moved that H. F. No. 2350 be returned to its author. The motion prevailed.

Uphus moved that H. F. No. 1737 be returned to its author. The motion prevailed.

#### ADJOURNMENT

Welle moved that when the House adjourns today it adjourn until 2:30 p.m., Thursday, March 19, 1992. The motion prevailed.

Welle moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Thursday, March 19, 1992.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-SEVENTH SESSION—1992

## EIGHTIETH DAY

SAINT PAUL, MINNESOTA, THURSDAY, MARCH 19, 1992

The House of Representatives convened at 2:30 p.m. and was called to order by Dee Long, Speaker of the House.

Prayer was offered by Monsignor John C. Ward, former Pastor of St. Philips Catholic Church, Litchfield, Minnesota.

The roll was called and the following members were present:

Abrams	Frederick	Kelso	Ogren	Simoneau
Anderson, I.	Frerichs	Kinkel	Olsen, S.	Skoglund
Anderson, R.	Garcia	Knickerbocker	Olson, E.	Smith
Anderson, R. H.	Girard	Koppendraye	Olson, K.	Solberg
Battaglia	Goodno	Krambeer	Omann	Sparby
Bauerly	Greenfield	Krinkie	Onnen	Stanius
Beard	Gruenes	Krueger	Orenstein	Steensma
Begich	Gutknecht	Lasley	Orfield	Svigum
Bertram	Hanson	Leppik	Osthoff	Swenson
Bettermann	Hartle	Lieder	Ostrom	Thompson
Bishop	Hasskamp	Limmer	Ozment	Tompkins
Blatz	Haukoos	Lourey	Pauly	Trimble
Bodahl	Hausman	Lynch	Pellow	Uphus
Boo	Heir	Macklin	Pelowski	Valento
Brown	Henry	Mariani	Peterson	Vanasek
Carlson	Hufnagle	Marsh	Pugh	Vellenga
Carruthers	Hugoson	McEachern	Reding	Wagenius
Clark	Jacobs	McGuire	Rest	Waltman
Cooper	Janezich	McPherson	Rice	Weaver
Dauner	Jaros	Milbert	Rodosovich	Wejcran
Davids	Jefferson	Morrison	Rukavina	Welker
Dawkins	Jennings	Munger	Runbeck	Welle
Dempsey	Johnson, A.	Murphy	Sarna	Wenzel
Dille	Johnson, R.	Nelson, K.	Schafer	Winter
Dorn	Johnson, V.	Nelson, S.	Schreiber	Spk. Long
Erhardt	Kahn	Newinski	Seaberg	
Farrell	Kalis	O'Connor	Segal	

A quorum was present.

Tunheim was excused.

The Chief Clerk proceeded to read the Journal of the preceding day. McPherson moved that further reading of the Journal be

dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

#### REPORTS OF CHIEF CLERK

S. F. No. 1638 and H. F. No. 1860, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Wenzel moved that S. F. No. 1638 be substituted for H. F. No. 1860 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1919 and H. F. No. 1751, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Olsen, S., moved that the rules be so far suspended that S. F. No. 1919 be substituted for H. F. No. 1751 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2227 and H. F. No. 2475, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Jennings moved that the rules be so far suspended that S. F. No. 2227 be substituted for H. F. No. 2475 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2385 and H. F. No. 2585, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Jefferson moved that S. F. No. 2385 be substituted for H. F. No. 2585 and that the House File be indefinitely postponed. The motion prevailed.

**PETITIONS AND COMMUNICATIONS**

The following communications were received:

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

March 16, 1992

The Honorable Dee Long  
Speaker of the House of Representatives  
The State of Minnesota

Dear Speaker Long:

It is my honor to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State the following House File:

H. F. No. 1652, memorializing the Postmaster General to issue a postal stamp in commemoration of Wanda Gag, American Author and Illustrator.

Warmest regards,

ARNE H. CARLSON  
Governor

STATE OF MINNESOTA  
OFFICE OF THE SECRETARY OF STATE  
ST. PAUL 55155

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

I have the honor to inform you that the following enrolled Act of the 1992 Session of the State Legislature has been received from the Office of the Governor and is deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S.F.</i> No.	<i>H.F.</i> No.	<i>Session Laws</i> <i>Chapter No.</i>	<i>Time and</i> <i>Date Approved</i> 1992	<i>Date Filed</i> 1992
	1652	Resolution No. 9	2:45 p.m. March 16	March 16

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

## REPORTS OF STANDING COMMITTEES

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 419, A bill for an act relating to retirement; allowing payment of certain premiums on tax sheltered annuities; as an exception to the prohibition on supplemental pension plans; amending Minnesota Statutes 1990, section 356.24.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1990, section 356.24, is amended to read:

356.24 [SUPPLEMENTAL PENSION OR DEFERRED COMPENSATION PLANS, RESTRICTIONS UPON GOVERNMENT UNITS.]

Subdivision 1. [RESTRICTION; EXCEPTIONS.] (a) It is unlawful for a school district or other governmental subdivision or state agency to levy taxes for, or contribute public funds to a supplemental pension or deferred compensation plan that is established, maintained, and operated in addition to a primary pension program for the benefit of the governmental subdivision employees other than:

(1) to a supplemental pension plan that was established, maintained, and operated before May 6, 1971;

(2) to a plan that provides solely for group health, hospital, disability, or death benefits, to the individual retirement account plan established by sections 354B.01 to 354B.04;

(3) to a plan that provides solely for severance pay under section 465.72 to a retiring or terminating employee;

(4) for employees other than personnel employed by the state



university board or the community college board and covered by section 136.80, subdivision 1, to:

(i) the state of Minnesota deferred compensation plan under section 352.96; or

(ii) to payment of the applicable portion of the premium on a tax sheltered annuity contract qualified under section 403(b) of the federal Internal Revenue Code, purchased from a qualified insurance company; if provided for in a personnel policy or in the collective bargaining agreement of the public employer with the exclusive representative of public employees in an appropriate unit, in an amount matching employee contributions on a dollar for dollar basis, but not to exceed an employer contribution of \$2,000 a year per employee; or

(5) for personnel employed by the state university board or the community college board and covered by section 136.80, subdivision 1, to the supplemental retirement plan under sections 136.80 to 136.85, if provided for in a personnel policy or in the collective bargaining agreement of the public employer with the exclusive representative of the covered employees in an appropriate unit, in an amount matching employee contributions on a dollar for dollar basis, but not to exceed an employer contribution of \$2,000 a year for each employee.

(b) A qualified insurance company is a company that:

(1) meets the definition in section 60A.02, subdivision 4;

(2) is licensed to engage in life insurance or annuity business in the state;

(3) is determined by the commissioner of commerce to have a rating within the top two rating categories by a recognized national rating agency or organization that regularly rates insurance companies; and

(4) is determined by the state board of investment to be among the ten applicant insurance companies with competitive options and investment returns on annuity products. The state board of investment determination must be made on or before January 1, 1993, and must be reviewed periodically. The state board of investment shall use the board's actuary to assist it in this determination. The state board of investment shall establish a budget for its costs in the determination process and shall charge each applicant a proportional share of that budget as an application fee. All contracts must be approved before execution by the state board of investment. The executive director of the state board of investment shall establish rules and procedures to carry out this section.

(c) A personnel policy for unrepresented employees or a collective bargaining agreement may establish limits on the number of vendors under paragraph (b), clause (4), that it will utilize and conditions under which the vendors may contact employees both during working hours and after working hours.

Subd. 2. [LIMIT ON CERTAIN CONTRIBUTIONS OR BENEFIT CHANGES.] No change in benefits or employer contributions in a supplemental pension plan to which this section applies after May 6, 1971, is effective without prior legislative authorization."

Delete the title and insert:

"A bill for an act relating to retirement; public employee retirement savings programs; authorizing an employer matching contribution to certain tax sheltered annuity contracts; amending Minnesota Statutes 1990, section 356.24."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 804, A bill for an act relating to motor carriers; making technical changes to motor carrier laws; allowing motor carrier certificate to be suspended or revoked for certain violations; providing an exemption for limousine service by a luxury passenger automobile; requiring private carriers operating vehicles having a gross weight greater than 12,000 pounds to comply with driver qualification rules; requiring formerly exempt carriers operating vehicles having a gross weight greater than 12,000 pounds to comply with rules on driver qualifications and maximum hours of service of drivers; adopting federal out-of-service criteria for motor carriers; providing that certain federal laws and regulations apply to certain intrastate commerce; authorizing certain inspections and information gathering by the department of transportation regarding hazardous materials; authorizing variances to federal regulations regarding certain cargo tanks that transport gasoline; requiring immediate notice and subsequent written reports for additional situations involving hazardous materials transportation; prohibiting issuance of hazardous waste transporter license to applicant with history of repeated or serious violations; allowing exchange of information on applicant for hazardous waste transporter license; allowing trip permits for certain interstate transportation of hazardous waste and imposing a fee; requiring certain information from applicant to operate as permit carrier or local cartage carrier;

establishing the initial motor carrier contact program; requiring information to be displayed on power units of registered vehicles of certain motor carriers; authorizing commissioner of transportation to suspend or cancel the operating authority, permit, or certificate of a motor carrier failing to pay a required administrative penalty; imposing administrative penalties; requiring payment of service charge for each identification stamp issued to an interstate motor carrier; allowing commissioner of transportation to inspect vehicles and records of building movers; requiring building movers to comply with rules on driver qualifications, safe operation, maximum hours of service of drivers, inspection, repair and maintenance, and accident reporting; requiring police escort when moving building, when required by permit; allowing commissioner of transportation to revoke, suspend, or deny a license for noncompliance with certain moving permits and other violations regarding building movers; amending Minnesota Statutes 1990, sections 221.021; 221.025; 221.031, subdivisions 2, 3, and by adding a subdivision; 221.033, subdivision 1, and by adding a subdivision; 221.034, subdivisions 1 and 3; 221.035, subdivision 1, and by adding a subdivision; 221.121, subdivisions 1 and 7; 221.131, subdivisions 1 and 2; 221.185, subdivisions 1, 2, and 4; 221.60, subdivision 2; 221.605, by adding a subdivision; and 221.81, subdivisions 2 and 4, and by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 221. .

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1991 Supplement, section 169.781, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] For purposes of sections 169.781 to 169.783:

(a) “Commercial motor vehicle” means:

(1) a commercial motor vehicle as defined in section 169.01, subdivision 75, paragraph (a); and

(2) each vehicle in a combination of more than 26,000 pounds.

“Commercial motor vehicle” does not include (1) a school bus displaying a certificate under section 169.451, (2) a bus operated by the metropolitan transit commission created in section 473.404 or by a local transit commission created in chapter 458A, or (3) a motor vehicle with a gross weight of not more than 26,000 pounds, carrying in bulk tanks a total of not more than 200 gallons of petroleum products or liquid fertilizer or pesticide.

(b) “Commissioner” means the commissioner of public safety.

(c) "Owner" means a person who owns, or has control, under a lease of more than 30 days' duration, of one or more commercial motor vehicles.

(d) "Storage semitrailer" means a semitrailer that (1) is used exclusively to store property at a location not on a street or highway, (2) does not contain any load when moved on a street or highway, (3) is operated only during daylight hours, and (4) is marked on each side of the semitrailer "storage only" in letters at least six inches high.

(e) "Building mover vehicle" means a vehicle owned or leased by a building mover as defined in section 221.81, subdivision 1, paragraph (a), and used exclusively for moving buildings.

Sec. 2. Minnesota Statutes 1991 Supplement, section 169.781, subdivision 5, is amended to read:

Subd. 5. [INSPECTION DECALS.] (a) A person inspecting a commercial motor vehicle shall issue an inspection decal for the vehicle if each inspected component of the vehicle complies with federal motor carrier safety regulations. The decal must state that in the month specified on the decal the vehicle was inspected and each inspected component complied with federal motor carrier safety regulations. The decal is valid for 12 months after the month specified on the decal. The commissioners of public safety and transportation shall make decals available, at a fee of not more than \$2 for each decal, to persons certified to perform inspections under subdivision 3, paragraph (b).

(b) Minnesota inspection decals may be affixed only to commercial motor vehicles bearing Minnesota-based license plates.

(c) Notwithstanding paragraph (a), a person inspecting (1) a vehicle of less than 57,000 pounds gross vehicle weight and registered as a farm truck, ~~or~~ (2) a storage semitrailer, ~~or~~ (3) a building mover vehicle must issue an inspection decal to the vehicle unless the vehicle has one or more defects that would result in the vehicle being declared out of service under the North American Uniform Driver, Vehicle, and Hazardous Materials Out-of-Service Criteria issued by the federal highway administration and the commercial motor vehicle safety alliance. A decal issued to a vehicle described in clause (1) ~~or~~, (2), ~~or~~ (3) is valid for two years from the date of issuance. A decal issued to such a vehicle must clearly indicate that it is valid for two years from the date of issuance.

(d) Notwithstanding paragraph (a), a commercial motor vehicle that (1) is registered as a farm truck, (2) is not operated more than 75 miles from the owner's home post office, and (3) was manufactured before 1979 that has a dual transmission system, is not required to comply with a requirement in an inspection standard

that requires that the service brake system and parking brake system be separate systems in the motor vehicle.

Sec. 3. Minnesota Statutes 1991 Supplement, section 169.825, subdivision 8, is amended to read:

Subd. 8. [PNEUMATIC-TIRED VEHICLES.] No vehicle or combination of vehicles equipped with pneumatic tires shall be operated upon the highways of this state:

(a) Where the gross weight on any wheel exceeds 9,000 pounds, except that on designated local routes and state trunk highways the gross weight on any single wheel shall not exceed 10,000 pounds;

(b) Where the gross weight on any single axle exceeds 18,000 pounds, except that on designated local routes and state trunk highways the gross weight on any single axle shall not exceed 20,000 pounds;

(c) Where the maximum wheel load:

(1) on the foremost and rearmost steering axles, exceeds 600 pounds per inch of tire width or the manufacturer's recommended load, whichever is less; or

(2) on other axles, exceeds 500 pounds per inch of tire width or the manufacturer's recommended load, whichever is less;

Clause (2) applies to new vehicles manufactured after August 1, 1991, and after. For vehicles manufactured before August 2, 1991, the maximum weight per inch of tire width is 600 pounds per inch or the manufacturer's recommended load, whichever is less, until August 1, 1996, to all vehicles. After July 31, 1996, clause (2) applies to all vehicles regardless of date of manufacture.

(d) Where the gross weight on any axle of a tridem exceeds 15,000 pounds, except that for vehicles to which an additional axle has been added prior to June 1, 1981, the maximum gross weight on any axle of a tridem may be up to 16,000 pounds provided the gross weight of the tridem combination does not exceed 39,900 pounds where the first and third axles of the tridem are spaced nine feet apart.

(e) Where the gross weight on any group of axles exceeds the weights permitted under this section with any or all of the interior axles disregarded and their gross weights subtracted from the gross weight of all axles of the group under consideration.

Sec. 4. Minnesota Statutes 1991 Supplement, section 169.825, subdivision 10, is amended to read:

Subd. 10. [GROSS WEIGHT SCHEDULE.] (a) No vehicle or combination of vehicles equipped with pneumatic tires shall be operated upon the highways of this state where the total gross weight on any group of two or more consecutive axles of any vehicle or combination of vehicles exceeds that given in the following table for the distance between the centers of the first and last axles of any group of two or more consecutive axles under consideration; unless otherwise noted, the distance between axles being measured longitudinally to the nearest even foot, and when the measurement is a fraction of exactly one-half foot the next largest whole number in feet shall be used, except that when the distance between axles is more than three feet four inches and less than three feet six inches the distance of four feet shall be used:

Distances in feet between centers of foremost and rearmost axles of a group	Maximum gross weight in pounds on a group of		
	2 consecutive axles of a 2-axle vehicle or of any vehicle or combination of vehicles having a total of 2 or more axles	3 consecutive axles of a 3-axle vehicle or of any vehicle or combination of vehicles having a total of 3 or more axles	4 consecutive axles of a 4-axle vehicle or any combination of vehicles having a total of 4 or more axles
4	34,000		
5	34,000		
6	34,000		
7	34,000	<del>39,000</del> 37,000	
8	34,000	<del>39,000</del> 38,500	
8 plus	34,000 (38,000)	42,000	
9	35,000 (39,000)	43,000	
10	36,000 (40,000)	43,500	49,000
11	36,000	44,500	49,500
12		45,000	50,000
13		46,000	51,000
14		46,500	51,500
15		47,500	52,000
16		48,000	53,000
17		49,000	53,500

18	49,500	54,000
19	50,500	55,000
20	51,000	55,500
21	52,000	56,000
22	52,500	57,000
23	53,500	57,500
24	54,000	58,000
25	(55,000)	59,000
26	(55,500)	59,500
27	(56,500)	60,000
28	(57,000)	61,000
29	(58,000)	61,500
30	(58,500)	62,000
31	(59,500)	63,000
32	(60,000)	63,500
33		64,000
34		65,000
35		65,500
36		66,000
37		67,000
38		67,500
39		68,000
40		69,000
41		69,500
42		70,000
43		71,000
44		71,500
45		72,000
46		72,500
47		(73,500)
48		(74,000)
49		(74,500)
50		(75,500)
51		(76,000)

The maximum gross weight on a group of three consecutive axles where the distance between centers of foremost and rearmost axles is listed as seven feet or eight feet applies only to vehicles manufactured before August 1, 1991.

“8 plus” refers to any distance greater than eight feet but less than nine feet.

Distances in feet between centers of foremost and rearmost axles of a group	Maximum gross weight in pounds on a group of		
	5	6	7
	consecutive axles of a 5-axle vehicle or any combination of vehicles having a total of 5 or more axles	consecutive axles of a combination of vehicles having a total of 6 or more axles	consecutive axles of a combination of vehicles having a total of 7 or more axles
14	57,000		
15	57,500		
16	58,000		
17	59,000		
18	59,500		
19	60,000		
20	60,500	66,000	72,000
21	61,500	67,000	72,500
22	62,000	67,500	73,000
23	62,500	68,000	73,500
24	63,000	68,500	74,000
25	64,000	69,000	75,000
26	64,500	70,000	75,500
27	65,000	70,500	76,000
28	65,500	71,000	76,500
29	66,500	71,500	77,000
30	67,000	72,000	77,500
31	67,500	73,000	78,500
32	68,000	73,500	79,000
33	69,000	74,000	79,500
34	69,500	74,500	80,000
35	70,000	75,000	
36	70,500	76,000	
37	71,500	76,500	
38	72,000	77,000	
39	72,500	77,500	
40	73,000	78,000	



41	(74,000)	79,000
42	(74,500)	79,500
43	(75,000)	80,000
44	(75,500)	
45	(76,500)	
46	(77,000)	
47	(77,500)	
48	(78,000)	
49	(79,000)	
50	(79,500)	
51	(80,000)	

The gross weights shown in parentheses in this clause are permitted only on state trunk highways and routes designated under section 169.832, subdivision 11.

(b) Notwithstanding any lesser weight in pounds shown in this table but subject to the restrictions on gross vehicle weights in clause (c), two consecutive sets of tandem axles may carry a gross load of 34,000 pounds each and a combined gross load of 68,000 pounds provided the overall distance between the first and last axles of the consecutive sets of tandem axles is 36 feet or more.

(c) Notwithstanding the provisions of section 169.85, the gross vehicle weight of all axles of a vehicle or combination of vehicles shall not exceed:

(1) 80,000 pounds for any vehicle or combination of vehicles on all state trunk highways as defined in section 160.02, subdivision 2, and for all routes designated under section 169.832, subdivision 11; and

(2) 73,280 pounds for any vehicle or combination of vehicles with five axles or less on all routes, other than state trunk highways and routes that are designated under section 169.832, subdivision 11; and

(3) 80,000 pounds for any vehicle or combination of vehicles with six or more axles on all routes, other than state trunk highways and routes that are designated under section 169.832, subdivision 11.

(d) The maximum weights specified in this subdivision for five consecutive axles shall not apply to a combination of vehicles that includes a three axle semitrailer first registered before August 1, 1981. All other weight limitations in this section are applicable.

(e) The maximum weights specified in this subdivision for five consecutive axles shall not apply to a four axle ready mix concrete

truck which was equipped with a fifth axle prior to June 1, 1981. The maximum gross weight on four or fewer consecutive axles of vehicles excepted by this clause shall not exceed any maximum weight specified for four or fewer consecutive axles in this subdivision.

Sec. 5. Minnesota Statutes 1990, section 169.825, subdivision 14, is amended to read:

Subd. 14. [VARIABLE LOAD AXLES.] A vehicle or combination of vehicles equipped with one or more variable load axles shall have the pressure control preset so that the weight carried on the variable load axle may not be varied by the operator during transport of any load. The actuating control for the axle shall function only as an on and off switch. The provisions of this subdivision do not apply to any farm truck registered prior to July 1, 1981, under section 168.013, subdivision 1c, for 57,000 pounds or less ~~or to any rear-loading refuse compactor vehicle.~~ This subdivision does not apply to rear-loading refuse compactor vehicles, except that any refuse compactor vehicle having a tridem rear axle must comply with this subdivision before being issued a special permit under section 169.86, subdivision 5, paragraph (h).

Sec. 6. Minnesota Statutes 1991 Supplement, section 169.86, subdivision 5, is amended to read:

Subd. 5. [FEES.] The commissioner, with respect to highways under the commissioner's jurisdiction, may charge a fee for each permit issued. All such fees for permits issued by the commissioner of transportation shall be deposited in the state treasury and credited to the trunk highway fund. Except for those annual permits for which the permit fees are specified elsewhere in this chapter, the fees shall be:

(a) \$15 for each single trip permit.

(b) \$36 for each job permit. A job permit may be issued for like loads carried on a specific route for a period not to exceed two months. "Like loads" means loads of the same product, weight, and dimension.

(c) \$60 for an annual permit to be issued for a period not to exceed 12 consecutive months. Annual permits may be issued for:

(1) ~~refuse compactor vehicles that carry a gross weight up to but not in excess of 22,000 pounds on a single rear axle and not in excess of 38,000 pounds on a tandem rear axle;~~

(2) motor vehicles used to alleviate a temporary crisis adversely affecting the safety or well-being of the public;

(3) (2) motor vehicles which travel on interstate highways and carry loads authorized under subdivision 1a;

(4) (3) motor vehicles operating with gross weights authorized under section 169.825, subdivision 11, paragraph (a), clause (3); and

(5) (4) special pulpwood vehicles described in section 169.863.

(d) \$120 for an oversize annual permit to be issued for a period not to exceed 12 consecutive months. Annual permits may be issued for:

(1) mobile cranes;

(2) construction equipment, machinery, and supplies;

(3) manufactured homes;

(4) farm equipment when the movement is not made according to the provisions of section 169.80, subdivision 1, paragraphs (a) to (f);

(5) double-deck buses;

(6) commercial boat hauling.

(e) For vehicles which have axle weights exceeding the weight limitations of section 169.825, an additional cost added to the fees listed above. The additional cost is equal to the product of the distance traveled times the sum of the overweight axle group cost factors shown in the following chart:

#### Overweight Axle Group Cost Factors

##### Cost Per Mile For Each Group Of:

Weight (pounds) exceeding weight limitations on axles	Two consecutive axles spaced within 8 feet or less	Three consecutive axles spaced within 9 feet or less	Four consecutive axles spaced within 14 feet or less
0-2,000	.100	.040	.036
2,001-4,000	.124	.050	.044
4,001-6,000	.150	.062	.050
6,001-8,000	Not permitted	.078	.056
8,001-10,000	Not permitted	.094	.070
10,001-12,000	Not permitted	.116	.078
12,001-14,000	Not permitted	.140	.094
14,001-16,000	Not permitted	.168	.106
16,001-18,000	Not permitted	.200	.128
18,001-20,000	Not permitted	Not permitted	.140
20,001-22,000	Not permitted	Not permitted	.168

The amounts added are rounded to the nearest cent for each axle or axle group. The additional cost does not apply to paragraph (c), clauses (1) and (3).

For a vehicle found to exceed the appropriate maximum permitted weight, a cost-per-mile fee of 22 cents per ton, or fraction of a ton, over the permitted maximum weight is imposed in addition to the normal permit fee. Miles must be calculated based on the distance already traveled in the state plus the distance from the point of detection to a transportation loading site or unloading site within the state or to the point of exit from the state.

(f) As an alternative to paragraph (e), an annual permit may be issued for overweight, or oversize and overweight, construction equipment, machinery, and supplies. The fees for the permit are as follows:

Gross Weight (pounds) of vehicle	Annual Permit Fee
90,000 or less	\$200
90,001-100,000	\$300
100,001-110,000	\$400
110,001-120,000	\$500
120,001-130,000	\$600
130,001-140,000	\$700
140,001-145,000	\$800

If the gross weight of the vehicle is more than 145,000 pounds the permit fee is determined under paragraph (e).

(g) For vehicles which exceed the width limitations set forth in section 169.80 by more than 72 inches, an additional cost equal to \$120 added to the amount in paragraph (a) when the permit is issued while seasonal load restrictions pursuant to section 169.87 are in effect.

(h) \$85 for an annual permit to be issued for a period not to exceed 12 months, for refuse compactor vehicles that carry a gross weight of not more than: 22,000 pounds on a single rear axle; 38,000 pounds on a tandem rear axle; or, subject to section 169.825, subdivision 14, 46,000 pounds on a tridem rear axle. A permit issued for up to 46,000 pounds on a tridem rear axle must limit the gross vehicle weight to not more than 62,000 pounds.

Sec. 7. Minnesota Statutes 1990, section 174.23, is amended by adding a subdivision to read:

Subd. 9. [STATE TRANSIT SYSTEM AND PLAN.] By January 1, 1996, the commissioner shall provide a comprehensive, coordinated

public transit system serving every county of the state. By January 1, 1993, the commissioner shall submit a plan to the legislature to implement coordinated statewide public transit service.

Sec. 8. Minnesota Statutes 1990, section 174.30, subdivision 2, is amended to read:

Subd. 2. [AUTHORITY TO ADOPT; PURPOSE AND CONTENT; RULEMAKING.] The commissioner of transportation shall adopt by rule standards for the operation of vehicles used to provide special transportation service which are reasonably necessary to protect the health and safety of individuals using that service. The commissioner, as far as practicable, consistent with the purpose of the standards, shall avoid adoption of standards that unduly restrict any public or private entity or person from providing special transportation service because of the administrative or other cost of compliance.

Standards adopted under this section must include but are not limited to:

(a) Qualifications of drivers and attendants, including driver training requirements that must be met before a driver provides special transportation;

(b) Safety of vehicles and necessary safety equipment;

(c) General requirements concerning inspection and maintenance of vehicles, replacement vehicles, standard vehicle equipment, and specialized equipment necessary to ensure vehicle usability and safety for disabled persons; ~~and~~

(d) Minimum insurance requirements; and

(e) Assessment of administrative penalties for violations.

The commissioner shall consult with the council on disability before making a decision on a variance from the standards.

Sec. 9. Minnesota Statutes 1990, section 221.011, subdivision 20, is amended to read:

Subd. 20. "Charter" means the agreement whereby the owner of a motor bus vehicle lets the same to a group of persons as one party for a specified sum and for a specified act of transportation at a specified time.

Sec. 10. Minnesota Statutes 1990, section 221.011, subdivision 21, is amended to read:

Subd. 21. "Charter carrier" means a person who engages in the business of transporting the public by motor ~~buses~~ vehicle under charter. The term "charter carrier" does not include regular route common carriers of passengers and school buses described in section 221.025, clause (a), or persons providing limousine service described in section 221.84.

Sec. 11. Minnesota Statutes 1990, section 221.011, subdivision 25, is amended to read:

Subd. 25. "Courier services carrier" means any person who offers expedited door-to-door transportation of packages and articles less than 100 pounds in weight in ~~vehicles~~ a vehicle with a registered gross vehicle weight and gross vehicle weight rating not exceeding of 15,000 pounds or less.

Sec. 12. Minnesota Statutes 1990, section 221.011, is amended by adding a subdivision to read:

Subd. 33. "Gross vehicle weight" has the meaning given it in section 169.01, subdivision 46.

Sec. 13. Minnesota Statutes 1990, section 221.021, is amended to read:

#### 221.021 [OPERATION CERTIFICATE OR PERMIT REQUIRED.]

No person ~~shall~~ may operate as a motor carrier or advertise or otherwise hold out as a motor carrier without a certificate or permit in ~~full force and effect~~. A certificate or permit may be suspended or revoked upon conviction of violating a provision of sections 221.011 to 221.296 or an order or rule of the commissioner or board governing the operation of motor carriers, and upon a finding by the court that the violation was willful. The board may, for good cause after a hearing, suspend or revoke a certificate or permit for a violation of a provision of sections 221.011 to 221.296 or an order issued or rule of adopted by the commissioner or board ~~issued~~ under this chapter.

Sec. 14. Minnesota Statutes 1991 Supplement, section 221.025, is amended to read:

#### 221.025 [EXEMPTIONS.]

Except as provided in sections 221.031 and 221.033, The provisions of this chapter requiring a certificate or permit to operate as a motor carrier do not apply to the intrastate transportation described below:

- (a) the transportation of students to or from school or school

activities in a school bus inspected and certified under section 169.451;

(b) the transportation of rubbish as defined in section 443.27 solid waste, as defined in section 116.06, subdivision 10, including recyclable materials and waste tires, except that the term "hazardous waste" has the meaning given it in section 221.011, subdivision 31;

(c) a commuter van as defined in section 221.011, subdivision 27;

(d) authorized emergency vehicles as defined in section 169.01, subdivision 5, including ambulances, and tow trucks when picking up and transporting disabled or wrecked motor vehicles and when carrying proper and legal warning devices;

(e) the transportation of grain samples under conditions prescribed by the board;

(f) the delivery of agricultural lime;

(g) the transportation of dirt and sod within an area having a 50-mile radius from the home post office of the person performing the transportation;

(h) ~~a person while exclusively engaged in~~ the transportation of sand, gravel, bituminous asphalt mix, concrete ready mix, concrete blocks or tile and the mortar mix to be used with the concrete blocks or tile, or crushed rock to or from the point of loading or a place of gathering within an area having a 50-mile radius from that person's home post office or a 50-mile radius from the site of construction or maintenance of public roads and streets;

(i) the transportation of pulpwood, cordwood, mining timber, poles, posts, decorator evergreens, wood chips, sawdust, shavings, and bark from the place where the products are produced to the point where they are to be used or shipped;

(j) a person while engaged exclusively in transporting the transportation of fresh vegetables from farms to canneries or viner stations, from viner stations to canneries, or from canneries to canneries during the harvesting, canning, or packing season, or transporting potatoes, sugar beets, wild rice, or rutabagas from the field of production to the first place of delivery or unloading, including a processing plant, warehouse, or railroad siding;

(k) ~~a person engaged in transporting the transportation of~~ property or freight, other than household goods and petroleum products in bulk, entirely within the corporate limits of a city or between contiguous cities except as provided in section 221.296;

(l) the transportation of unprocessed dairy products in bulk within an area having a 100-mile radius from the home post office of the person providing the transportation;

(m) ~~a person engaged in transporting~~ the transportation of agricultural, horticultural, dairy, livestock, or other farm products within an area having a 25-mile radius from the person's home post office and the carrier may transport other commodities within the 25-mile radius if the destination of each haul is a farm;

(n) passenger transportation service that is not charter service and that is under contract to and with operating assistance from the department or the regional transit board; and

(o) the transportation of newspapers, as defined in section 331A.01, subdivision 5, telephone books, handbills, circulars, or pamphlets in a vehicle with a gross vehicle weight of 10,000 pounds or less.

The exemptions provided in this section apply to a person only while the person is exclusively engaged in exempt transportation.

Sec. 15. Minnesota Statutes 1990, section 221.031, as amended by Laws 1991, chapter 333, section 33, is amended to read:

221.031 [RULES FOR OPERATION OF CARRIERS.]

Subdivision 1. [POWERS, DUTIES, REPORTS, LIMITATIONS.]

(a) This subdivision applies to motor carriers engaged in intrastate commerce.

(b) The commissioner shall prescribe rules for the operation of motor carriers, including their facilities; accounts; leasing of vehicles and drivers; service; safe operation of vehicles; equipment, parts, and accessories; ~~maximum~~; hours of service of drivers; driver qualifications; accident reporting; identification of vehicles; installation of safety devices; inspection, repair, and maintenance; and, proper automatic speed regulators if, in the opinion of the commissioner, there is a need for the rules.

(c) The commissioner shall direct the repair and reconstruction or replacement of an inadequate or unsafe motor carrier vehicle or facility. The commissioner may require the construction and maintenance or furnishing of suitable and proper freight terminals, passenger depots, waiting rooms, and accommodations or shelters in a city in this state or at a point on the highway traversed which the commissioner, after investigation by the department, may deem just and proper for the protection of passengers or property.

(d) The commissioner shall require the filing of annual and other



reports including annual accounts of motor carriers, schedules of rates and charges, or other data by motor carriers, regulate motor carriers in matters affecting the relationship between them and the traveling and shipping public, and prescribe other rules as may be necessary to carry out the provisions of this chapter.

(e) A motor carrier having gross revenues from for-hire transportation in a calendar year of less than \$50,000 may, at the discretion of the commissioner, be exempted from the filing of an annual report, if instead of filing the report the motor carrier files an affidavit, in a form as may be prescribed by the commissioner, attesting that the motor carrier's gross revenues did not exceed \$50,000 in the previous calendar year. Motor carrier gross revenues from for-hire transportation, for the purposes of this subdivision only, do not include gross revenues received from the operation of school buses as defined in section 169.01, subdivision 6.

(f) The commissioner shall enforce sections 169.781 to 169.783.

(g) The commissioner shall make no rules relating to the granting, limiting, or modifying of permits or certificates of convenience and necessity, which are powers granted to the board.

(h) The board may extend the termini of a route or alter or change the route of a regular route common carrier upon petition and after finding that public convenience and necessity require an extension, alteration, or change.

Subd. 2. [PRIVATE CARRIERS.] This subdivision applies to private carriers engaged in intrastate commerce.

(a) Private carriers operating vehicles ~~licensed and registered for with a gross vehicle weight of more than 12,000~~ 10,000 pounds, shall comply with rules adopted under this section ~~applying to maximum for driver qualifications; hours of service of drivers; safe operation of vehicles; equipment, parts, and accessories; leasing of vehicles or vehicles and drivers; and, inspection, repair, and maintenance. Private carriers not subject to the rules of the commissioner for driver qualifications on August 1, 1992, must comply with those rules on and after August 1, 1994.~~

(b) ~~In addition to the requirements in paragraph (a), private carriers operating vehicles licensed and registered for a gross weight in excess of 26,000 pounds shall comply with rules adopted under this section relating to driver qualifications.~~

(c) ~~The requirements as to driver qualifications and maximum rules for hours of service for of drivers do not apply to private carriers who are (1) public utilities as defined in section 216B.02, subdivision 4; (2) cooperative electric associations organized under~~

chapter 308A; (3) telephone companies as defined in section 237.01, subdivision 2; or (4) ~~who are~~ engaged in the transportation of construction materials, tools and equipment from shop to job site or job site to job site, for use by the private carrier in the new construction, remodeling, or repair of buildings, structures or their appurtenances.

~~(d)~~ (c) ~~The rules for driver qualification rule qualifications and the hours of service rules of drivers do not apply to vehicles controlled by a farmer and operated by a farmer or farm employee to transport agricultural products or farm machinery, or supplies to or from a farm if the vehicle is not used in the operations of a motor carrier and not carrying hazardous materials of a type or quantity that requires the vehicle to be marked or placarded in accordance with section 221.033.~~

Subd. 2a. [AGRICULTURAL EXEMPTIONS.] (a) Notwithstanding the provisions of subdivision 2, private carriers engaged in intrastate commerce and operating vehicles transporting agricultural and other farm products within an area having a 50-mile radius from the business location of the private carrier must comply only with the commissioner's rules for driver qualifications ~~and safety of operations; safe operation of vehicles; and, equipment, parts, and accessories,~~ except as provided in paragraphs (b) and (c).

(b) A rear-end dump truck or other rear-unloading truck while being used for hauling agricultural and other farm products from a place of production or on-farm storage site to a place of processing or storage, is not subject to any rule of the commissioner requiring rear-end protection, including a federal regulation adopted by reference.

(c) A private carrier operating a commercial motor vehicle as defined in section 169.781, subdivision 1, must comply with sections 169.781 to 169.783.

Subd. 2b. [OTHER EXEMPTIONS.] From August 1, 1992 to August 1, 1994, the rules of the commissioner for hours of service for drivers do not apply to a person exclusively engaged in the transportation of asphalt cement, cementitious material, fly ash, or sod, when the transportation is provided within a radius of 100 miles from (1) the person's home post office, or (2) a highway construction or maintenance site where the asphalt cement, cementitious material, fly ash, or sod is being used.

Subd. 3. [VEHICLES OVER ~~12,000~~ 10,000 POUNDS NOT EXEMPT.] (a) This subdivision applies to ~~vehicles~~ persons engaged in intrastate commerce, ~~who operate vehicles providing transportation described in section 221.025 which are registered and licensed for with a gross vehicle weight in excess of 12,000 10,000 pounds,~~ except school buses, commuter vans, and authorized emergency vehicles.

(b) Persons providing transportation described in section 221.025, clause (f), (j), (l), or (m), must comply with the rules of the commissioner for safety of operations safe operation of vehicles and for equipment, parts, and accessories.

(c) Persons providing transportation described in section 221.025, except for persons providing transportation described in clause (f), (j), (l), or (m), must comply with the rules of the commissioner for safe operation of vehicles; equipment, parts, and accessories; and, after August 1, 1994, the rules of the commissioner for driver qualifications.

Subd. 3a. [CONTRACTORS OR RECIPIENTS OF TRANSPORTATION ASSISTANCE.] Notwithstanding subdivision 3, providers of passenger transportation service under contract to and with operating assistance from the department or the regional transit board must comply with rules of the commissioner for driver qualifications; safe operation of vehicles; equipment, parts, and accessories; ~~maximum~~; hours of service of drivers; inspection, repair, and maintenance; and, accident reporting.

This subdivision does not apply to (1) a local transit commission, (2) a transit authority created by the legislature, (3) special transportation service certified by the commissioner under section 174.30, or (4) special transportation service defined in section 174.29, subdivision 1, when provided by a volunteer driver operating a private passenger vehicle defined in section 169.01, subdivision 3a.

Subd. 3b. [SOLID WASTE TRANSPORTERS NOT EXEMPT.] Persons providing transportation described in section 221.025, clause (b), must comply with the rules of the commissioner for driver qualifications after August 1, 1994; hours of service of drivers; safe operation of vehicles; equipment, parts, and accessories; and, inspection, repair, and maintenance. A local government unit, as defined in section 115A.03, subdivision 17, shall not enact or enforce laws, ordinances, or regulations for the operation of solid waste transporters that are inconsistent with the rules of the commissioner.

Subd. 5. [DEPARTMENT INVESTIGATES.] The department shall investigate the operation of carriers subject to the rules of the commissioner under this section, their compliance with rules of the department and board and with the provisions of chapter 221, and may institute and prosecute actions and proceedings in the proper district court for enforcement of those rules.

Subd. 6. [VEHICLE IDENTIFICATION RULE.] (a) The following carriers shall display the carrier's name and address on the power unit of each vehicle:

- (1) motor carriers, regardless of the weight of the vehicle;

(2) interstate and intrastate private carriers operating vehicles ~~licensed and registered for~~ with a gross vehicle weight of 12,000 10,000 pounds or more; and

(3) vehicles providing transportation described in section 221.025 ~~which are licensed and registered for~~ with a gross vehicle weight of 12,000 10,000 pounds or more except those providing transportation described in section 221.025, clauses (a), (c), and (d).

Vehicles described in clauses (2) and (3) that are operated by farmers or farm employees and have four or fewer axles are not required to comply with the vehicle identification rule of the commissioner.

(b) Vehicles subject to this subdivision must show the name or "doing business as" name of the carrier operating the vehicle and the ~~city or~~ community and state abbreviation of the state in which the carrier maintains its principal office or in which the vehicle is customarily based. If the carrier operates a leased vehicle, it may show its name and the name of the lessor on the vehicle, if the lease relationship is clearly shown. If the name of a person other than the operating carrier appears on the vehicle, the words "operated by" must immediately precede the name of the carrier.

(c) The name and address must be in letters that contrast sharply in color with the background, be readily legible during daylight hours from a distance of 50 feet while the vehicle is stationary, and be maintained in a manner that retains the legibility of the markings.

The name and address may be shown by use of a removable device if that device meets the identification and legibility requirements of this subdivision.

Subd. 7. [MEDICAL EXAMINER'S CERTIFICATE; CHARTER CARRIER DRIVERS.] While in the state, the driver for a charter carrier engaged in intrastate commerce who has in possession a license with a school bus endorsement under section 171.321 or rules of the commissioner of public safety is not required to have in possession or to present a separate medical examiner's certificate otherwise required by Code of Federal Regulations, title 49, sections 391.41 to 391.49.

Subd. 8. [DRIVEAWAY-TOWAWAY EXEMPTION.] For purposes of regulating commercial motor vehicles as defined in section 169.781, subdivision 1, the exemption provided in Code of Federal Regulations, title 49, section 396.11, paragraph (d), applies in Minnesota only to driveaway-towaway operations.

Subd. 9. [OUT-OF-SERVICE CRITERIA ADOPTED BY REFER-

ENCE.] The North American Uniform Driver, Vehicle, and Hazardous Materials Out-Of-Service Criteria developed and adopted by the federal highway administration and the commercial vehicle safety alliance are adopted in Minnesota.

Sec. 16. [221.0313] [CONTROLLED SUBSTANCES TESTING AND PROCEDURES.]

Subdivision 1. [PURPOSE; INTENT; EXEMPTION.] (a) The purpose of this section is to adopt federal regulations governing testing for controlled substances.

(b) The legislature intends that the adopted federal regulations be applied:

(1) to persons who provide intrastate transportation, who are subject to the rules of the commissioner for driver qualifications, and who operate commercial motor vehicles, as defined in Code of Federal Regulations, title 49, section 391.85; and

(2) in the same manner that the federal regulations apply to interstate transportation.

(c) Intrastate carriers who are required to comply with the adopted federal regulations are exempt from the requirements of sections 181.950 to 181.957. This exemption applies only to the testing of drivers.

Subd. 2. [DEFINITIONS.] For purposes of this section, the following terms used in the federal regulations adopted in subdivisions 4 and 5, have the meanings given them in this subdivision:

(a) "DOT agency" means the commissioner of transportation.

(b) "DOT agency regulations" means the federal regulations adopted in subdivisions 4 and 5.

(c) "Motor carrier" means:

(1) a motor carrier as defined in section 221.011, subdivision 15; and

(2) a private carrier as defined in section 221.011, subdivision 26, or a person providing transportation described in section 221.025 when the private carrier or person:

(i) is subject to the rules of the commissioner for driver qualifications under section 221.031; and

(ii) is operating a commercial motor vehicle.

The term "motor carrier" includes a motor carrier's agents; officers; representatives; employees responsible for hiring, supervising, training, assigning, or dispatching drivers; and, employees concerned with installing, inspecting, and maintaining motor vehicle equipment or accessories. The definition of motor carrier includes the term "employer."

Subd. 3. [APPLICABILITY.] The regulations adopted in subdivisions 4 and 5 apply to a motor carrier providing transportation by commercial motor vehicle in intrastate commerce.

Subd. 4. [DRIVER QUALIFICATIONS; FEDERAL REGULATIONS ADOPTED.] Code of Federal Regulations, title 49, sections 391.41, paragraph (c); 391.43, paragraph (a)(2); 391.81, paragraphs (a) and (b); 391.85; 391.87; 391.89; 391.95 to 391.123; and, part 391, appendix D, are incorporated by reference.

Subd. 5. [CONTROLLED SUBSTANCES TESTING; FEDERAL REGULATIONS ADOPTED.] Code of Federal Regulations, title 49, sections 40.1; 40.3; 40.21, paragraphs (a), (c), and (d); 40.23 to 40.39; and, part 40, appendix A, are incorporated by reference.

Subd. 6. [APPLICABILITY OF OTHER TESTING PROGRAMS.] (a) If a drug testing program established under this section is limited to testing for the controlled substances listed in Code of Federal Regulations, title 49, section 40.21, paragraph (a), sections 181.950 to 181.957 do not apply.

(b) Persons subject to this section may test for drugs, in addition to those listed in Code of Federal Regulations, title 49, section 40.21, paragraph (a), or for alcohol, only in accordance with sections 181.950 to 181.957, and rules adopted under those sections.

Sec. 17. Minnesota Statutes 1990, section 221.033, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENTS.] Except as provided in subdivisions 2 and 3 to 4, no person may transport or have transported offer or shipped accept for transportation within the state of Minnesota a hazardous material, hazardous substance, or hazardous waste except in compliance with United States Code, title 49, sections 1801 to 1811 and the provisions of Code of Federal Regulations, title 49, sections parts 171 to 199. Those provisions apply to transportation in intrastate commerce to the same extent they apply to transportation in interstate commerce.

Sec. 18. Minnesota Statutes 1990, section 221.033, subdivision 2, is amended to read:

Subd. 2. [EXCEPTION EXEMPTION FOR FARMERS.] (a) This subdivision applies to persons engaged in intrastate commerce.

(b) Farmers or their employees transporting diesel fuel, gasoline, agricultural chemicals, or agricultural fertilizers for use on the transporter's farm are not required to comply with the driver qualification rules of the commissioner or with the shipping paper requirements of the Code of Federal Regulations, title 49, sections 172.200 and 177.817 or with section 397.7(B) or 397.9(A) of the Federal Motor Carrier Safety Regulations when:

(1) transporting diesel fuel or gasoline in motorized tank truck vehicles of less than 1,500-gallon capacity owned by the transporter, or in tanks securely mounted in other motor vehicles with a gross vehicle weight of less than ~~12,000~~ 10,000 pounds and owned by the transporter; or

(2) transporting agricultural chemicals and agricultural fertilizers.

Subd. 2a. [AGRICULTURALLY RELATED EXEMPTION.] (a) This subdivision applies to persons engaged in intrastate commerce.

(b) Fertilizer and agricultural chemical retailers or their employees are exempt from the rule of the commissioner requiring that drivers must be at least 21 years of age when:

(1) the retailer or its employee is transporting fertilizer or agricultural chemicals directly to a farm for on-farm use within a radius of 50 miles of the retailer's business location; and

(2) the driver employed by the retailer is at least 18 years of age.

~~Fertilizer and agricultural chemical retailers or their employees are also exempt, during the period from April 1, 1991, to June 1, 1991, from the commissioner's rules governing maximum hours of service of drivers, when transporting fertilizer or agricultural chemicals directly to a farm for on-farm use within a radius of 50 miles of the retailer's business location.~~

(c) A fertilizer or agricultural chemical retailer, or a driver employed by a fertilizer or agricultural chemical retailer, is exempt from the rule of the commissioner adopting Code of Federal Regulations, title 49, section 395.3, paragraph (b), relating to hours of service of drivers, and section 395.8, requiring a driver's record of duty status, while exclusively engaged in the transportation of fertilizer or agricultural chemicals between April 1 and July 1 of each year when:

(1) the transportation is from the retailer's place of business

directly to a farm within a 50-mile radius of the retailer's place of business;

(2) the fertilizer or agricultural chemicals are for use on the farm to which they are transported; and

(3) the employer maintains a daily record for each driver showing the time a driver reports for duty, the total number of hours a driver is on duty, and the time a driver is released from duty.

Sec. 19. Minnesota Statutes 1990, section 221.033, is amended by adding a subdivision to read:

Subd. 2b. [CARGO TANKS.] The leakage test requirement in Code of Federal Regulations, title 49, section 180.407, paragraph (h), does not apply to cargo tanks of up to 3,000 gallons capacity that transport gasoline in intrastate commerce.

Sec. 20. Minnesota Statutes 1990, section 221.034, subdivision 1, is amended to read:

Subdivision 1. [NOTICE REQUIRED.] At the earliest practicable moment, each person who transports hazardous materials, including hazardous wastes, shall give notice in accordance with subdivision 2 after each incident that occurs during the course of transportation including loading, unloading, and temporary storage, in which as a direct result of hazardous materials:

(1) a person is killed;

(2) a person receives injuries requiring hospitalization;

(3) estimated carrier or other property damage exceeds \$50,000;

(4) an evacuation of the general public occurs lasting one or more hours;

(5) one or more major transportation arteries or facilities are closed or shut down for one hour or more;

(6) the operational flight pattern or routine of an aircraft is altered;

(7) fire, breakage, spillage, or suspected radioactive contamination occurs involving shipment of radioactive material;

(5) (8) fire, breakage, spillage, or suspected contamination occurs involving shipment of etiologic agents; or



(6) (9) a situation exists of such a nature that, in the judgment of the carrier, it should be reported in accordance with subdivision 2 even though it does not meet the criteria of subdivision 1, clause (1), (2), or (3), but a continuing danger to life exists at the scene of the incident.

Sec. 21. Minnesota Statutes 1990, section 221.034, subdivision 3, is amended to read:

Subd. 3. [TIME LIMIT.] Each carrier who transports hazardous materials shall report in writing in duplicate on a form prescribed by the commissioner within ~~15~~ 30 days of the date of discovery, each incident that occurs during the course of transportation, including loading, unloading, or temporary storage, in which, ~~as a direct result of the hazardous materials,~~ any of the circumstances set forth in subdivision 1 occurs or there has been an unintentional release of hazardous materials from a package, including a tank, or any quantity of hazardous waste has been discharged during transportation.

Sec. 22. Minnesota Statutes 1990, section 221.035, subdivision 1, is amended to read:

Subdivision 1. [LICENSE REQUIREMENT.] (a) A person may not transport hazardous waste that is required to have a manifest under Minnesota Rules, part 7045.0261, or is required to have shipping papers under Minnesota Rules, part 7045.0125, without a license issued under this section.

(b) If the applicant complies with the requirements of this section, the commissioner shall issue the license and shall issue a vehicle identification decal for each single unit vehicle or trailer that the licensee will use to transport hazardous waste. The applicant shall pay a fee of \$500 for a three-year license and an annual fee of \$25 for each vehicle identification decal. The license must be maintained at the licensee's principal place of business. The name and address of the licensee must be displayed on both sides of each unit of the vehicle. The vehicle identification decal must be displayed on the single unit vehicle or trailer to which it is assigned, as prescribed by the commissioner, unless the vehicle carries a trip permit under subdivision 1a. ~~The decal is effective only when the license is effective.~~ The license must be renewed in the third year following the date of the issuance of the license. The licensee must obtain new decals each year. The license may not be transferred to another person. All decals issued during the year expire each year on the anniversary date of the issuance of the license.

(c) An applicant for a license under this section, who is not otherwise subject to section 221.141, shall file a certificate of insurance with the commissioner as provided in section 221.141. The certificate must state that the insurer has issued to the

applicant a policy that by endorsement provides public liability insurance in the amount required by Code of Federal Regulations, title 49, part 387.

(d) The commissioner may not issue a license to an applicant or renew a license if the commissioner determines the applicant's record of violations of federal and state motor carrier safety and hazardous material, hazardous waste, and hazardous substance requirements meets the standard for suspension or revocation of a license under subdivision 3 or if the applicant has an unsatisfactory or conditional safety rating from the United States Department of Transportation.

(e) Before issuing or renewing a license, the commissioner shall conduct a criminal record check of an applicant. If the applicant is a corporation, the commissioner may conduct a criminal record check of the applicant's owners, officers, or controlling agents. The commissioner may also conduct a criminal record check at any time while a person is licensed under this section. The criminal record check must consist of an examination of the state criminal records repository for violations of federal and state motor carrier safety and hazardous material, hazardous waste, and hazardous substance statutes, regulations, or rules. The bureau of criminal apprehension shall provide the commissioner, upon request, conviction information it has about an applicant. The conviction information must include convictions for violations of section 609.671 and, when available, similar statutes or rules of other states. An applicant's failure to cooperate with the commissioner in conducting a criminal record check is reasonable cause to deny an application or revoke a license. The commissioner may not release the results of a criminal record check to any person except the applicant.

Sec. 23. Minnesota Statutes 1990, section 221.035, is amended by adding a subdivision to read:

Subd. 1a. [TRIP PERMIT REQUIREMENTS; FEE.] A hazardous waste trip permit valid for ten days from the date of issue may be issued to a person licensed under subdivision 1 who also complies with section 221.141. The fee for a trip permit is \$10.

Sec. 24. Minnesota Statutes 1990, section 221.035, subdivision 2, is amended to read:

Subd. 2. [OPERATION REQUIREMENTS.] A vehicle operated under a license issued under this section must be operated in compliance with the rules of the commissioner adopted under this chapter governing: driver qualifications; safety of safe operation of vehicles; equipment, parts, and accessories; inspection, repair, and maintenance; and ~~maximum~~, hours of service of drivers.

Sec. 25. [221.037] [HAZARDOUS MATERIALS; INFORMATION, INSPECTION.]

Subdivision 1. [REQUIRED TO PROVIDE INFORMATION.] A person who generates, stores, treats, transports, disposes of, or otherwise handles or has handled hazardous materials, hazardous substances, or hazardous waste shall (1) give to transportation representatives and hazardous material specialists of the department information relating to the materials, substances, or waste, or (2) permit them access to and copying of records relating to the materials, substances, or waste, or both.

Subd. 2. [AUTHORITY TO INSPECT.] Transportation representatives and hazardous material specialists of the department have the authority to enter at a reasonable time and place, any vehicle, cargo tank, or other container used to transport hazardous materials, hazardous substances, or hazardous waste and any treatment, storage, or disposal facility or other place where the materials, substances, or waste are or have been generated, stored, treated, disposed of, or transported from. They may inspect the vehicle, cargo tank, or container and obtain from any person samples of the materials, substances, or waste and samples of the containers or labeling of the materials, substances, or waste for enforcing sections 221.033 to 221.036 or rules adopted under those sections. The authority granted under this subdivision includes the right to break and replace seals.

Sec. 26. Minnesota Statutes 1990, section 221.121, subdivision 1, is amended to read:

Subdivision 1. [PERMIT CARRIERS.] A person desiring to operate as a permit carrier, except as a livestock carrier, or a local cartage carrier shall file a petition with the commissioner specifying the kind of permit desired, the name and address of the petitioner and the names and addresses of the officers, if a corporation, and other information as the board and commissioner may require. Letters of shipper support must be filed with the petition. No person shall knowingly make a false or misleading statement in a petition. The board, after notice to interested parties and a hearing, shall issue the permit upon compliance with the laws and rules relating to it, if it finds that petitioner is fit and able to conduct the proposed operations, that petitioner's vehicles meet the safety standards established by the department, that the area to be served has a need for the transportation services requested in the petition, and that existing permit and certificated carriers in the area to be served have failed to demonstrate that they offer sufficient transportation services to meet fully and adequately those needs, provided that no person who holds a permit at the time sections 221.011 to 221.291 take effect may be denied a renewal of the permit upon compliance with other provisions of sections 221.011 to 221.291. A permit once granted continues in full force and effect until abandoned or unless

suspended or revoked, subject to compliance by the permit holder with the applicable provisions of law and the rules of the commissioner or board governing permit carriers. No permit may be issued to a common carrier by rail permitting the common carrier to operate trucks for hire within this state, nor may a common carrier by rail be permitted to own, lease, operate, control, or have an interest in a permit carrier by truck, either by stock ownership or otherwise, directly, indirectly, through a holding company, or by stockholders or directors in common, or in any other manner. Nothing in sections 221.011 to 221.291 prevents the board from issuing a permit to a common carrier by rail authorizing the carrier to operate trucks wholly within the limits of a municipality or within adjacent or contiguous municipalities or a common rate point served by the railroad and only as a service supplementary to the rail service now established by the carriers.

Sec. 27. Minnesota Statutes 1990, section 221.121, subdivision 7, is amended to read:

Subd. 7. [FEES.] The ~~permit holder~~ petitioner shall pay a fee of \$150 into the treasury of the state of Minnesota for each kind of permit or extension of authority for which a petition is filed under this section.

Sec. 28. Minnesota Statutes 1990, section 221.131, subdivision 1, is amended to read:

Subdivision 1. [PERMIT RENEWAL.] Permits issued under section 221.121 are effective for a 12-month period. ~~Each~~ A permit must be renewed holder shall renew the permit annually and each by registration of the vehicles operated under authority of that permit as required by subdivision 2. A permit holder shall have has one annual renewal date encompassing all of the permits held by the holder.

Sec. 29. Minnesota Statutes 1990, section 221.131, subdivision 2, is amended to read:

Subd. 2. [PERMIT CARRIERS; ANNUAL VEHICLE REGISTRATION.] (a) The permit holder shall pay an annual registration fee of \$20 on each vehicle, including pickup and delivery vehicles, operated by the holder under authority of the permit during the 12-month period or fraction of the 12-month period. Trailers and semitrailers used by a permit holder in combination with power units may not be counted as vehicles in the computation of fees under this section if the permit holder pays the fees for power units.

(b) The commissioner shall furnish a distinguishing annual identification card for each vehicle or power unit for which a fee has been paid. The identification card must at all times be carried in the vehicle or power unit to which it has been assigned. An identifica-

tion card may be reassigned to another vehicle or power unit upon application of the permit holder and payment of a transfer fee of \$10. An identification card issued under the provisions of this section is valid only for the period for which the permit is effective.

(c) The name and residence of the permit holder must be stenciled or otherwise shown identified on the outside of both doors power unit of each registered vehicle operated under the permit. Vehicles must show the name or the "doing business as" name of the permit holder operating the vehicle and the community and abbreviation of the state in which the permit holder maintains its principal office or in which the vehicle is customarily based. If the permit holder operates a leased vehicle, it may show its name and the name of the lessor on the vehicle, if the lease relationship is clearly shown. If the name of a person other than the operating permit holder appears on the vehicle, the words "operated by" must immediately precede the name of the permit holder. The name and address must be in letters that contrast sharply in color with the background, be readily legible during daylight hours from a distance of 50 feet while the vehicle is stationary, and be maintained in a manner that retains the legibility of the markings. The name and address may be shown by use of a removable device if that device meets the identification and legibility requirements of this subdivision.

(d) A fee of \$10 is charged for the replacement of an unexpired identification card that has been lost or damaged.

Sec. 30. Minnesota Statutes 1990, section 221.131, subdivision 6, is amended to read:

Subd. 6. [COURIER SERVICE CARRIERS; IDENTIFICATION CARDS.] The commissioner shall issue distinct annual identification cab cards for vehicles that provide courier service under a permit issued by the board. A courier service identification cab card may not be issued for a vehicle that has a ~~registered gross vehicle weight or gross vehicle weight rating~~ in excess of 15,000 pounds.

Sec. 31. Minnesota Statutes 1990, section 221.161, subdivision 1, is amended to read:

Subdivision 1. [FILING; HEARING UPON BOARD INITIATIVE.] Every A permit carrier, including a livestock carrier but not including a local cartage carrier, shall file and maintain with the commissioner a tariff showing rates and charges for the transportation of transporting persons or property. The filing with and acceptance by the commissioner of these tariffs, in accordance with the rules relating to the tariffs, constitutes notice to the public and interested parties of the contents of the tariffs. Tariffs must be prepared and filed in accordance with the rules of the commissioner. When tariffs are filed in accordance with the rules and accepted by the commissioner, the filing constitutes notice to the public and

interested parties of the contents of the tariffs. The commissioner shall not accept for filing tariffs ~~which~~ that are unjust and, unreasonable ~~or~~, unjustly discriminatory ~~or~~, unduly preferential or prejudicial, or otherwise in violation of the provisions of this section or rules adopted under this section. If the tariffs appear to be unjust ~~or~~, unreasonable ~~or~~, unjustly discriminatory ~~or~~, unduly preferential or prejudicial, or otherwise in violation of this section, ~~the board~~ the board or rules adopted under this section, after notification and investigation by the department, the board may suspend and postpone the effective date of the tariffs and assign the tariffs for hearing upon notice to the permit carrier filing the proposed tariffs and to other interested parties, including users of the service and competitive carriers by motor vehicle and rail. At the hearing, the burden of proof is on the permit carrier filing the proposed tariff to sustain the validity of the proposed schedule of rates and charges. Tariffs for ~~the transportation of transporting~~ livestock are not subject to rejection, suspension, or postponement by the board, except as provided in subdivisions 2 and 3. The tariffs and subsequent supplements to them or reissues of them must state the effective date, which may not be less than ten days following the date of filing, unless the period of time is reduced by special permission of the commissioner.

Sec. 32. Minnesota Statutes 1990, section 221.60, subdivision 2, is amended to read:

Subd. 2. [FORM AND FEES.] A motor carrier engaged in interstate commerce shall register its interstate transportation authority or exemption before February 1 of each year on a form prescribed by the commissioner. The fee for the initial registration is \$25. The fee for each identification stamp is \$5; however, a lesser fee may be collected pursuant to a reciprocal agreement authorized by section 221.65. In addition to the fees required by this subdivision, a motor carrier shall pay a service charge of 45 cents for each stamp or card issued.

Sec. 33. Minnesota Statutes 1990, section 221.605, subdivision 1, is amended to read:

Subdivision 1. [FEDERAL REGULATIONS.] (a) Interstate carriers and private carriers engaged in interstate commerce shall comply with the federal motor carrier safety regulations, Code of Federal Regulations, title 49, parts 390 to 398; with Code of Federal Regulations, title 49, part 40; and, with the rules of the commissioner concerning inspections, vehicle and driver out-of-service restrictions and requirements, and vehicle, driver, and equipment checklists. For purposes of regulating commercial motor vehicles as defined in section 169.781, subdivision 1, the exemption provided in Code of Federal Regulations, title 49, section 396.11, paragraph (d), applies in Minnesota only to driveaway-towaway operations.

(b) An interstate carrier or private carrier engaged in interstate

commerce who complies with federal regulations governing testing for controlled substances is exempt from the requirements of sections 181.950 to 181.957 unless the carrier's drug testing program provides for testing for controlled substances in addition to those listed in Code of Federal Regulations, title 49, section 40.21, paragraph (a), or for alcohol. Persons subject to this section may test for drugs, in addition to those listed in Code of Federal Regulations, title 49, section 40.21, paragraph (a), or for alcohol, only in accordance with sections 181.950 to 181.957 and rules adopted under those sections.

Sec. 34. Minnesota Statutes 1990, section 221.81, subdivision 2, is amended to read:

Subd. 2. [LICENSE.] No person may operate as a building mover in this state unless licensed by the commissioner. The commissioner may inspect a building mover's vehicles or records to determine compliance with this section.

Sec. 35. Minnesota Statutes 1990, section 221.81, is amended by adding a subdivision to read:

Subd. 3d. [IDENTIFICATION.] (a) A building mover's name and address must be displayed on the power unit of a vehicle used to move buildings and on buildings being moved.

(b) Vehicles and buildings must show the name or "doing business as" name of the license holder operating the vehicle and the community and abbreviation of the state in which the license holder maintains its principal office or in which the vehicle is customarily based. If the building mover operates a leased vehicle, it may show its name and the name of the lessor on the vehicle, if the lease relationship is clearly shown. If the name of a person other than the building mover appears on the vehicle, the words "operated by" must immediately precede the name of the building mover.

(c) The name and address must be in letters that contrast sharply in color with the background, be readily legible during daylight hours from a distance of 50 feet while the vehicle or building is stationary, and be maintained in a manner that retains the legibility of the markings. The name and address may be shown by use of a removable device if that device meets the identification and legibility requirements of this subdivision.

Sec. 36. Minnesota Statutes 1990, section 221.81, is amended by adding a subdivision to read:

Subd. 3e. [SAFETY RULES.] (a) A building mover must comply with the rules of the commissioner for safe operation of vehicles, equipment, parts, and accessories, except as provided in paragraph

(b); inspection, repair, and maintenance; accident reporting; and, on and after August 1, 1994, driver qualifications.

(b) A towed vehicle, other than a full trailer, pole trailer, or semitrailer, as those terms are defined in Code of Federal Regulations, title 49, section 390.5, used by a building mover to move a building on a highway is not required to comply with rules of the commissioner for equipment, parts, and accessories.

Sec. 37. Minnesota Statutes 1990, section 221.81, subdivision 4, is amended to read:

Subd. 4. [LICENSE REVOCATION, SUSPENSION, DENIAL.]  
The commissioner, after notice and a hearing, may revoke, suspend, or deny a license for:

(a) failure of the applicant or license holder to reimburse the road authority for damage to public highways, roads, streets, or utilities ~~which that~~ are not paid for by the license holders ~~holder's~~ insurer;

(b) conduct of the applicant or license holders holder that endangers the health and safety of users of the public highways, roads, streets, or utilities;

(c) conduct of the applicant or license holder that obstructs traffic in a manner other than as authorized in the permit;

(d) violation of ~~the provisions of~~ this section; ~~or~~

(e) failure to obtain or comply with required local moving permits or permits required by section 169.86;

(f) placing or leaving a building on property without the permission of the owner of the property or in violation of local ordinances; or

(g) abandoning a building after it is first moved under the road permit. For purposes of this subdivision, "abandon" means conduct that shows that a building mover has failed to use reasonable diligence in moving a building to the location described in the road permit.

Sec. 38. Minnesota Statutes 1991 Supplement, section 364.09, is amended to read:

#### 364.09 [EXCEPTIONS.]

(a) This chapter ~~shall~~ does not apply to the practice of law enforcement<sub>;</sub> to fire protection agencies<sub>;</sub> to eligibility for a private detective or protective agent license<sub>;</sub> to eligibility for a family day



care license, a family foster care license, or a home care provider license; to eligibility for a license issued or renewed by the board of teaching or state board of education;2 to eligibility for school bus driver endorsements;2 to eligibility for special transportation service endorsements; or to eligibility for juvenile corrections employment, where the offense involved child physical or sexual abuse or criminal sexual conduct.

(b) This chapter does not apply to a school district.

(c) Nothing in this section ~~shall be construed to preclude~~ precludes the Minnesota police and peace officers training board or the state fire marshal from recommending policies set forth in this chapter to the attorney general for adoption in the attorney general's discretion to apply to law enforcement or fire protection agencies.

Sec. 39. [EFFECTIVE DATE.]

Sections 5 and 6 are effective July 1, 1992. Section 16 is effective August 1, 1993."

Delete the title and insert:

"A bill for an act relating to transportation; making technical and clarifying changes; defining terms; providing for maximum weight per inch of tire width; modifying axle weight limitations; providing for a comprehensive, coordinated public transit system; allowing commissioner of transportation to adopt rules assessing administrative penalties for violations of special transportation service standards; providing for regulation of motor vehicles having a gross vehicle weight of 10,000 pounds or more and operated by motor carriers; requiring certain carriers to comply with rules on driver qualifications and maximum hours of service after August 1, 1994; applying federal regulations on drug testing to intrastate motor carriers; regulating transportation of hazardous materials, substances, and waste; specifying identification information required on power units; authorizing small fee for motor carrier identification stamps; regulating building movers; authorizing release of criminal history data for purposes of special transportation license endorsements; amending Minnesota Statutes 1990, sections 169.825, subdivision 14; 174.23, by adding a subdivision; 174.30, subdivision 2; 221.011, subdivisions 20, 21, 25, and by adding a subdivision; 221.021; 221.031, as amended; 221.033, subdivisions 1, 2, and by adding a subdivision; 221.034, subdivisions 1 and 3; 221.035, subdivisions 1, 2, and by adding a subdivision; 221.121, subdivisions 1 and 7; 221.131, subdivisions 1, 2, and 6; 221.161, subdivision 1; 221.60, subdivision 2; 221.605, subdivision 1; and 221.81, subdivisions 2, 4, and by adding subdivisions; Minnesota Statutes 1991 Supplement, sections 169.781, subdivisions 1 and 5; 169.825, subdivi-

visions 8 and 10; 169.86, subdivision 5; 221.025; and 364.09; proposing coding for new law in Minnesota Statutes, chapter 221.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 1313, A bill for an act relating to traffic regulations; authorizing the operation of recreational vehicle combinations with certain restrictions; amending Minnesota Statutes 1990, sections 169.01, by adding a subdivision; and 169.81, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, line 15, delete “361.02” and insert “86B.005”

Page 1, line 16, delete “8” and insert “18”

Page 1, line 17, after the second “coupling” insert “, approved by the commissioner of public safety,”

Page 2, line 5, after “vehicles” insert “, and the towing rating of the pickup truck is equal to or greater than the total weight of all vehicles being towed”

Page 2, line 6, delete “70” and insert “59”

Page 2, delete lines 9 to 11

Page 2, line 12, delete “(5)” and insert “(4)”

Page 2, line 13, delete the period and insert a semicolon

Page 2, after line 13, insert:

“(5) the trailer carrying a watercraft meets all requirements of law;

(6) the trailers in the combination are connected to the pickup truck and each other in conformity with section 169.82; and

(7) the combination is not operated within Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, or Washington county on Mondays through Fridays between the hours of 6:30 to 9:30 a.m. and 3:30 to 6:30 p.m.

Sec. 3. [REPEALER.]

Sections 1 and 2 are repealed November 1, 1993.

Sec. 4. [EFFECTIVE DATE.]

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

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 1347, A bill for an act relating to state lands; authorizing the commissioner of administration to lease certain land adjacent to Minnehaha state park to the Minneapolis park and recreation board.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Anderson, I., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 1531, A bill for an act relating to metropolitan government; providing for the appointments and terms of the metropolitan council; assigning duties relating to transit; transferring transit duties to the department of transportation; amending Minnesota Statutes 1990, sections 174.01; 398A.04, subdivision 8; 473.123, subdivisions 2a, 3, and 4; 473.373; 473.375, subdivisions 8, 11, 13, 14, and 15; 473.377; 473.38; 473.382; 473.384; 473.385, subdivision 2; 473.386; 473.387; 473.388; 473.39; 473.391; 473.392; 473.399, subdivision 3; 473.3991, subdivisions 1 and 4; 473.3994; 473.3996; 473.404, subdivisions 2 and 6; 473.446; proposing coding for new law in Minnesota Statutes, chapter 174; repealing Minnesota Statutes 1990, sections 473.373, subdivision 6; 473.375, subdivision 7; 473.38, subdivision 3; 473.384, subdivision 9; 473.388, subdivision 6; and 473.3994, subdivision 7.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1  
BUDGET REVIEW

Section 1. Minnesota Statutes 1990, section 473.1623, subdivision 3, is amended to read:

Subd. 3. [FINANCIAL REPORT.] By December 15 of even-numbered years, the council, in consultation with the advisory committee, shall publish a consolidated financial report for the council and all metropolitan agencies and their functions, services, and systems. The financial report must cover the calendar year in which the report is published and the two years preceding and three years succeeding that year. The financial report must contain the following information, for each agency, function, or system, respectively, and in the aggregate, in a consistent format that allows comparison over time and among agencies in expenditure and revenue categories:

(1) financial policies, goals, and priorities as to capital expenditures and debt;

(2) levels and allocation of ~~public expenditure, including capital, expenditures and debt, operating, and pass through funds,~~ stated in the aggregate and by appropriate functional, ~~programmatic, administrative, and geographic~~ categories, and the changes in ~~expenditure capital expenditures and debt~~ levels and allocations that the report represents;

(3) the resources available under existing fiscal policy for capital expenditures and debt;

(4) additional resources, if any, that are or may be required for capital expenditures and debt;

(5) changes in council or agency policies on regional sources of revenue and in levels of debt, user charges, and taxes;

(6) other changes in existing fiscal policy, on regional revenues and intergovernmental aids respectively, that are expected or that have been or may be recommended by the council or the respective agencies;

(7) an analysis that links, as far as practicable, the uses of funds and the sources of funds for capital expenditures and debt, by appropriate functional categories and in the aggregate;

(8) a description of how the fiscal policies for capital expenditures and debt effectuate current policy and implementation plans of the council and agencies concerned; and

(9) a summary of significant changes in council and agency finance and an analysis of fiscal trends as to capital expenditures and debt.

The council shall present the report for discussion and comment at a public meeting in the metropolitan area and request, in writing, an opportunity to make presentations on the report before appropriate committees of the legislature.

Sec. 2. Minnesota Statutes 1990, section 473.1623, subdivision 5, is amended to read:

Subd. 5. [ADMINISTRATIVE COORDINATION.] The advisory committee shall evaluate ~~the benefits, costs, methods, and effects, including operational effects, of and develop a joint or uniform and~~ coordinated exercise of powers by the council and metropolitan agencies for appropriate administrative functions. The study must include at least ongoing managerial reporting, contracts, purchasing, data processing, and personnel. The council shall report to the legislature ~~from time to time annually on the findings and, recommendations, and implementation of the recommendations of the~~ advisory committee to date and on legal and other impediments to increased coordination of administrative functions. Before submitting the report, the council shall request comments on the report from the affected metropolitan agencies, and the comments must be submitted along with the report.

Sec. 3. Minnesota Statutes 1990, section 473.1623, subdivision 6, is amended to read:

Subd. 6. [PERSONNEL AND ETHICAL PRACTICES; COMMUNICATION.] By January 1 of each year, the council and each agency represented on the advisory committee established under this section shall report to the legislature on the following:

(1) agency personnel compensation practices, including an analysis of trends, compliance with legal requirements, health care and other benefits, and salary levels in comparison with relevant job markets; and

(2) human rights and affirmative action policies and procedures; and

(3) ethical practices requirements for board members and employees of each agency, including the sources of the requirements,

agency comparisons, and comparison with requirements for state and local government officers and employees; and

~~(3)~~ (4) the activities undertaken by each agency board member and council member to regularly meet with and communicate with ~~local officials~~ and legislators in the member's district about issues before the agency or council.

The report on employee salaries under clause (1) must include details of: all lump sum payments or bonuses; and a description of all payments, expense accounts, allowances, including travel allowances, and other current benefits granted to individuals that are not made generally available to employees of the council or agency.

Sec. 4. Minnesota Statutes 1990, section 473.163, subdivision 2, is amended to read:

Subd. 2. [PROCEDURE; APPROVAL OF COUNCIL.] As early as practicable before August 15 of each year, the agency shall hold a public hearing on a draft of the proposed budget. Along with the draft, the agency shall publish a report on user charges. The report must include an estimate and analysis of the changes in user charges, rates, and fees that will be required by the agency's budget. Not less than 14 days before the hearing, the agency shall publish notice of the hearing in a newspaper having general circulation in the metropolitan area, stating the date, time and place of hearing, and the place where the proposed budget and report on user charges may be examined by any interested person. Following the hearing, the agency shall publish a report of the hearing that summarizes the comments received and the agency's response. ~~Until the budget for agency fiscal year 1990, those parts of the budget relating to revenues and expenditures for capital improvements must be submitted to the council by August 15 of each year for review and approval by the council. If council approval is required the council shall act to approve or disapprove by October 1 of each year. By November 15 of each year, the council shall review and comment on the agency's operating budget, and shall review and approve or disapprove the agency's capital budget.~~ Before December 15 of each year the agency shall by resolution adopt a final budget. Each agency shall file its final budget with the council on or before December 20 of each year. The council shall file the budgets and the council's review and comment on the budgets with the secretary of the senate and the clerk of the house of representatives senate majority leader, the speaker of the house, the chairs of the house and senate tax committees, the chair of the senate metropolitan affairs committee, and the chair of the house local government and metropolitan affairs committee not later than January 1 of each year. At a minimum, the council must consider in its review and comment on agencies' budgets: whether the budget meets the requirements of this section and of section 473.1623, subdivision 4b; to what degree the budget will effectuate the agency's implementation plan or

program; whether the agency's levies and fees are appropriate for the services provided; whether any change in the agency's expenditures is warranted by a change in costs or services provided; and whether the agency's revenues are appropriate to the estimated expenditures and good financial management.

Sec. 5. Minnesota Statutes 1990, section 473.181, subdivision 5, is amended to read:

Subd. 5. [AIRPORTS.] ~~The council shall review metropolitan airports commission capital projects pursuant to section 473.621, subdivision 6.~~ The plans of the metropolitan airports commission and the development of the metropolitan airports system by the commission shall, as provided in sections 473.611, subdivision 5, and 473.655, be consistent with the development guide of the council.

Sec. 6. Minnesota Statutes 1990, section 473.38, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENT.] The regional transit board shall prepare, submit for review, adopt, and implement budgets and conduct its financial affairs in the same manner, with the same requirements and restrictions, and to the same effect as provided in section 473.163, ~~subdivisions 1 to 4,~~ except as otherwise provided in this section.

Sec. 7. Minnesota Statutes 1990, section 473.523, is amended to read:

473.523 [CONTRACTS FOR CONSTRUCTION MATERIALS, SUPPLIES, AND EQUIPMENT.]

Subdivision 1. No contract for any construction work, or for the purchase of materials, supplies, or equipment, costing more than ~~\$15,000~~ \$25,000 shall be made by the commission without publishing once in a legal newspaper or trade paper published in a city of the first class not less than two weeks before the last day for submission of bids, notice that bids or proposals will be received. Such notice shall state the nature of the work or purchase and the terms and conditions upon which the contract is to be awarded, and a time and place where such bids will be received, opened, and read publicly. After such bids have been duly received, opened, read publicly, and recorded, the commission shall award such contract to the lowest responsible bidder or it may reject all bids and readvertise. Each contract shall be duly executed in writing and the party to whom the contract is awarded shall give sufficient bond or security to the board for the faithful performance of the contract as required by law. The commission shall have the right to set qualifications and specifications and to require bids to meet all such qualifications and specifications before being accepted. If the commission by an affir-

mative vote of two-thirds of its members declares that an emergency exists requiring the immediate purchase of materials or supplies at a cost in excess of ~~\$15,000~~ \$25,000, or in making emergency repairs, it shall not be necessary to advertise for bids.

Subd. 2. The administrator may, without prior approval of the commission and without advertising for bids, enter into any contract of the type referred to in subdivision 1 which is not in excess of ~~\$15,000~~ \$25,000.

Sec. 8. [473.613] [IMPLEMENTATION PLAN.]

The metropolitan airports commission shall prepare, submit to the council, and adopt an implementation plan at the time and in the manner provided in and otherwise comply with section 473.161. The implementation plan must implement and effectuate the policies of the aviation chapter of the council's development guide.

Sec. 9. Minnesota Statutes 1990, section 473.661, is amended by adding a subdivision to read:

Subd. 4. The commission must prepare, submit to the council for review and approval, and adopt a budget as required in section 473.163.

Sec. 10. Minnesota Statutes 1990, section 473.705, is amended to read:

473.705 [CONTRACTS FOR MATERIALS, SUPPLIES, AND EQUIPMENT.]

No contract for the purchase of materials, supplies, and equipment costing more than ~~\$5,000~~ \$25,000 shall be made by the commission without publishing the notice once in the official newspaper of each of the counties in the district that bids or proposals will be received. The notice shall be published at least ten days before bids are opened. Such notice shall state the nature of the work or purchase and the terms and conditions upon which the contract is to be awarded, naming therein a time and place where such bids will be received, opened, and read publicly. After such bids have been duly received, opened, read publicly, and recorded, the commission shall award such contract to the lowest responsible bidder or it may reject all bids. Each contract shall be duly executed in writing and the party to whom the contract is awarded may be required to give sufficient bond to the commission for the faithful performance of the contract. If no satisfactory bid is received the commission may readvertise. The commission shall have the right to set qualifications and specifications and to require bids to meet such qualifications and specifications before bids are accepted. If the commission by an affirmative vote of five-sixths of the voting power of the



commission shall declare that an emergency exists requiring the immediate purchase of materials or supplies at a cost in excess of \$5,000 but not to exceed \$10,000 in amount \$25,000, or in making emergency repairs, it shall not be necessary to advertise for bids, but such material, equipment, and supplies may be purchased in the open market at the lowest price available without securing formal competitive bids. An emergency as used in this section shall be an unforeseen circumstance or condition which results in placing life or property in jeopardy. All contracts involving employment of labor shall stipulate terms thereof and such conditions as the commission deems reasonable as to hours and wages.

Sec. 11. [COORDINATED PERSONNEL POLICIES AND SERVICES.]

The chairs of the council, the metropolitan transit commission, the regional transit board, the metropolitan waste control commission, the metropolitan airports commission, and the metropolitan sports facilities commission shall establish a task force to develop a plan for implementing personnel policies that are uniform among each of the metropolitan agencies and the council. The task force shall also conduct a study of the feasibility of establishing a unified personnel or human resources department that would take the place of the agencies' and the council's separate personnel or human resources departments or offices. The study shall examine a suggested timeframe for implementing a unified personnel or human resources department or office, the estimated cost of the change, and the estimated cost increases or decreases over three, five, and ten years following implementation of the unified department or office. The task force shall complete its work and the chair of the council shall report on its results to the legislature by January 15, 1994.

Sec. 12. [REPEALER.]

Minnesota Statutes 1990, sections 473.1623, subdivision 4; and 473.621, subdivisions 6 and 7, are repealed.

Sec. 13. [APPLICATION.]

This article applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

ARTICLE 2

PLANNING

Section 1. Minnesota Statutes 1990, section 462.357, subdivision 2, is amended to read:

Subd. 2. [GENERAL REQUIREMENTS.] At any time after the

adoption of a land use plan for the municipality, the planning agency, for the purpose of carrying out the policies and goals of the land use plan, may prepare a proposed zoning ordinance and submit it to the governing body with its recommendations for adoption. Subject to the requirements of subdivisions 3, 4 and 5, the governing body may adopt and amend a zoning ordinance by a two-thirds vote of all its members. If the comprehensive municipal plan is in conflict with the zoning ordinance, the zoning ordinance supersedes the plan. Zoning ordinances and subdivision regulations adopted under this chapter shall implement the purpose, objectives, and policies of the comprehensive plan. Zoning ordinances and subdivision regulations must not allow land use and development that will effectively prevent the planned land use as designated within specific areas in the comprehensive plan. The determination of the timing of the implementation of the comprehensive plan shall be at the sole discretion of the governing body.

Sec. 2. Minnesota Statutes 1990, section 473.175, subdivision 1, is amended to read:

Subdivision 1. The council shall review the comprehensive plans of local governmental units and the capital improvement programs of school districts, prepared and submitted pursuant to Laws 1976, chapter 127, sections 1 to 23, to determine their compatibility with each other and conformity with metropolitan system plans. The council shall review and comment on the apparent consistency of the comprehensive plans and capital improvement programs with other adopted chapters of the metropolitan development guide. The council may require a local governmental unit to modify any comprehensive plan or part thereof which may have a substantial impact on or contain a substantial departure from metropolitan system plans. By January 1, 1994, the council shall establish criteria, after soliciting comments and suggestions from potentially affected local government units, for determining when a comprehensive local plan or plan amendment will have a substantial impact on or substantially depart from metropolitan system plans. The criteria may not be limited to a metropolitan facility's capacity, but must also address whether a proposed plan or plan amendment will have a substantial impact on or substantially depart from metropolitan system plans, as that phrase is used in section 473.852, subdivision 8. The criteria established under this subdivision shall become effective and apply to matters pending before the council on or after June 1, 1994.

Sec. 3. Minnesota Statutes 1990, section 473.858, subdivision 1, is amended to read:

Subdivision 1. Within three years following the receipt of the metropolitan system statement, every local governmental unit shall have prepared a comprehensive plan in accordance with sections 462.355, subdivision 4, 473.175, and 473.851 to 473.871 and the applicable planning statute and shall have submitted the plan to the

metropolitan council for review pursuant to section 473.175. The provisions of sections 462.355, subdivision 4, 473.175, and 473.851 to 473.871 shall supersede the provisions of the applicable planning statute wherever a conflict may exist. ~~If the comprehensive municipal plan is in conflict with the zoning ordinance, the zoning ordinance supersedes the plan.~~

Sec. 4. Minnesota Statutes 1990, section 473.865, subdivision 1, is amended to read:

Subdivision 1. Each local governmental unit shall adopt official controls as described in its adopted comprehensive plan and shall submit copies of the official controls to the council within 30 days following adoption thereof, for information purposes only. The official controls adopted shall implement the purpose, objectives, and policies of the comprehensive plan. Zoning ordinances and subdivision regulations must not allow land use and development that will effectively prevent the planned land use as designated within specific areas of the comprehensive plan. The determination of the timing of the implementation of the comprehensive plan shall be at the sole discretion of the governing body. The provisions of this subdivision do not limit the applicability of the requirements in subdivision 3.

Sec. 5. [APPLICATION.]

This article applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

### ARTICLE 3 APPOINTMENTS

Section 1. Minnesota Statutes 1990, section 473.123, subdivision 3, is amended to read:

Subd. 3. [MEMBERSHIP; APPOINTMENT; QUALIFICATIONS.]

(a) Sixteen members must be appointed by the governor from districts defined by this section. Each council member must reside in the council district represented. Each council district must be represented by one member of the council.

(b) In addition to the notice required by section 15.0597, subdivision 4, notice of vacancies and expiration of terms must be published in newspapers of general circulation in the metropolitan area and the appropriate districts. The governing bodies of the statutory and home rule charter cities, counties, and towns having territory in the district for which a member is to be appointed must be notified in writing. The notices must describe the appointments process and invite participation and recommendations on the appointment.

(c) The governor shall create a nominating committee, composed of seven metropolitan citizens appointed by the governor, to nominate persons for appointment to the council from districts. Three of the committee members must be local elected officials. Following the submission of applications as provided under section 15.0597, subdivision 5, the nominating committee shall forward copies of the applications to legislators from the affected council districts. The legislators shall conduct public meetings, after appropriate notice, to accept statements from or on behalf of persons who have applied or been nominated for appointment and to allow consultation with and secure the advice of the public and local elected officials. The committee Legislators from an affected district shall hold the meeting on each appointment in the district or in a reasonably convenient and accessible location in the part of the metropolitan area in which the district is located. The committee may consolidate meetings. Among the legislators from an affected council district, the legislator with the most years of service in the legislature shall chair the meeting. At least one nominating committee member shall attend each meeting. Following the meetings, the committee shall submit to the governor a summary of the proceedings and a list of nominees for each appointment. The governor is not required to appoint from the list.

Notwithstanding section 15.0597, subdivision 5, an applicant shall indicate on the application form a political party preference or a lack thereof.

(d) Before making an appointment, the governor shall consult with all members of the legislature from the council district for which the member is to be appointed.

(e) Appointments to the council are subject to the advice and consent of the senate as provided in section 15.066.

(f) Members of the council must be appointed to reflect fairly the various demographic, political, and other interests in the metropolitan area and the districts.

(g) Members of the council must be persons knowledgeable about urban and metropolitan affairs.

(h) No more than ten members, excluding the chair, may support the same political party.

Sec. 2. Minnesota Statutes 1990, section 473.141, subdivision 2, is amended to read:

Subd. 2. [MEMBERSHIP; APPOINTMENTS.] (a) Each agency consists of eight members, plus a chair appointed as provided in subdivision 3. The metropolitan council shall appoint the eight

members on a nonpartisan basis after consultation with the members of the legislature from the district for which the member is to be appointed. The consultation with legislators in the affected district must include informing each legislator of the name, address, and background of each candidate for appointment and soliciting and reporting to the appointments committee the recommendation of each legislator on the appointment.

(b) In addition to the notice required in section 15.0597, subdivision 4, notice of vacancies and expiration of terms must be published in newspapers of general circulation in the metropolitan area and the appropriate districts. The council shall notify in writing the governing bodies of the statutory and home rule charter cities, counties, and towns having territory in the district for which the member is to be appointed. The notices must describe the appointment process and invite participation and recommendations on the appointment.

(c) The council shall establish an appointments committee, composed of members of the council, to screen and review candidates. Following the submission of member applications to the metropolitan council as provided under section 15.0597, subdivision 5, the appointments committee shall conduct public meetings, following appropriate notice, to accept statements from or on behalf of persons who have applied or been nominated for appointment and to allow consultation with and secure the advice of the public and local elected officials. Notwithstanding section 15.0597, subdivision 5, an applicant shall indicate on the application form a political party preference or lack thereof. The committee shall hold the meeting on each appointment in the district or in a reasonably convenient and accessible location in the part of the metropolitan area in which the district is located. The committee may consolidate meetings. Following the meetings, the committee shall submit to the council a written report that lists the persons who have applied or been nominated or recommended for the position, along with a description of the background and qualifications of each. In making its recommendation, the committee specifically shall consider evidence of the candidate's commitment to regularly communicate on issues before the agency with metropolitan council members, legislators and local elected officials in the district, and the committee shall report its findings on this subject in its written report to the council.

(d) One member shall be appointed from each of the following agency districts:

- (1) district A, consisting of council districts 1 and 2;
- (2) district B, consisting of council districts 3 and 7;
- (3) district C, consisting of council districts 4 and 5;

- (4) district D, consisting of council districts 6 and 10;
- (5) district E, consisting of council districts 8 and 9;
- (6) district F, consisting of council districts 11 and 12;
- (7) district G, consisting of council districts 13 and 14; and
- (8) district H, consisting of council districts 15 and 16.

(e) No more than one-half plus one of the persons appointed to a commission under this section who serve at the same time, excluding the chair of the commission, may support the same political party. The limitation of this paragraph applies separately to the appointees of each appointing authority.

Sec. 3. Minnesota Statutes 1990, section 473.303, subdivision 2, is amended to read:

Subd. 2. [MEMBERSHIP.] The commission shall consist of eight members, plus a chair appointed as provided in subdivision 3. The metropolitan council shall appoint the eight members in accordance with the provisions of section 473.141. The limitation of section 473.141, subdivision 2, paragraph (e), applies to the appointments made under this section.

Sec. 4. Minnesota Statutes 1991 Supplement, section 473.373, subdivision 4a, is amended to read:

Subd. 4a. [MEMBERSHIP.] (a) The board consists of 11 members with governmental or management experience. Appointments are subject to the advice and consent of the senate. Terms of members are four years commencing on the first Monday in January of the first year of the term.

(b) The council shall appoint eight members, one from each of the following agency districts:

- (1) district A, consisting of council districts 1 and 2;
- (2) district B, consisting of council districts 3 and 7;
- (3) district C, consisting of council districts 4 and 5;
- (4) district D, consisting of council districts 6 and 11;
- (5) district E, consisting of council districts 8 and 10;
- (6) district F, consisting of council districts 9 and 13;

- (7) district G, consisting of council districts 12 and 14; and
- (8) district H, consisting of council districts 15 and 16.

Six must be elected officials of statutory or home rule charter cities, towns, or counties.

(c) The governor shall appoint, in addition to the chair, two persons, one who is age 65 or older at the time of appointment, and one with a disability. These appointments must be made following the procedures of section 15.0597. In addition, at least 30 days before the expiration of a term or upon the occurrence of a vacancy in the office held by a senior citizen or a person with a disability, the governor shall request nominations from organizations of senior citizens and persons with disabilities. Each organization shall nominate at least two persons. The governor shall consider the nominations submitted.

(d) No more than three of the members appointed under paragraphs (b) and (c) may be residents of the same statutory or home rule city or town, and none may be a member of the joint light rail transit advisory committee established under section 473.3991.

The limitation of section 473.141, subdivision 2, paragraph (e), applies to the appointments made under this section.

Sec. 5. Minnesota Statutes 1990, section 473.404, subdivision 2, is amended to read:

Subd. 2. [MEMBERSHIP.] The transit commission consists of five members appointed by the transit board. One member must be a resident of the city of Minneapolis, one must be a resident of the city of St. Paul, two must reside in the service area of the commission outside Minneapolis and St. Paul, and one may reside anywhere in the metropolitan area. At least one of the members from outside of Minneapolis and St. Paul must reside in the commission's full-peak and off-peak service area, as defined for tax purposes in section 473.446. Applicants for appointment under this section shall indicate their political party preference or lack thereof. The limitation of section 473.141, subdivision 2, paragraph (e), applies to the appointments made under this section. Appointments are subject to the advice and consent of the senate.

Sec. 6. Minnesota Statutes 1990, section 473.553, subdivision 2, is amended to read:

Subd. 2. [MEMBERSHIP.] The commission shall consist of six members, appointed by the governor during the period before substantial completion of construction of sports facilities pursuant to sections 473.551 to 473.595 and thereafter as hereinafter pro-

vided, plus a chair appointed as provided in subdivision 3. Initial appointments of members shall be made within 30 days of May 17, 1977. One member shall be appointed from each of the following combinations of metropolitan commission precincts defined in section 473.141, subdivision 2: A and B; C and G; D and E; F and H. Two members shall be appointed from outside the metropolitan area. Upon substantial completion of construction of the sports facility, vacancies occurring on the commission, whether at the completion of or prior to the completion of a member's term, shall be filled by the city council of the city in which the stadium is located. Applicants for appointment under this section shall indicate their political party preference or lack thereof. The limitation of section 473.141, subdivision 2, paragraph (e), applies to the appointments made under this section.

Sec. 7. Minnesota Statutes 1990, section 473.604, subdivision 1, is amended to read:

Subdivision 1. The commission consists of:

(1) the mayor of each of the cities, or a qualified voter appointed by the mayor, for the term of office as mayor;

(2) a number of members appointed from precincts equal or nearest to but not exceeding half the number of districts which are provided by law for the selection of members of the metropolitan council in section 473.123. Each member shall be a resident of the precinct represented. The members shall be appointed by the governor as follows: a number as near as possible to one-fourth, for a term of one year; a similar number for a term of two years; a similar number for a term of three years; and a similar number for a term of four years, all of which terms shall commence on July 1, 1981. The successors of each member shall be appointed for four-year terms commencing in July of each fourth year after the expiration of the original term. Before making an appointment, the governor shall consult with each member of the legislature from the precinct for which the member is to be appointed, to solicit the legislator's recommendation on the appointment;

(3) four members appointed from outside of the metropolitan area to reflect fairly the various regions and interests throughout the state that are affected by the operation of the commission's major airport and airport system. Two of these members must be residents of statutory or home rule charter cities, towns, or counties containing an airport designated by the commissioner of transportation as a key airport. The other two must be residents of statutory or home rule charter cities, towns, or counties containing an airport designated by the commissioner of transportation as an intermediate airport. The members must be appointed by the governor as follows: one for a term of one year, one for a term of two years, one for a term of three years, and one for a term of four years. All of the terms start



on July 1, 1989. The successors of each member must be appointed to four-year terms commencing on July 1 of each fourth year after the expiration of the original term. Before making an appointment, the governor shall consult each member of the legislature representing the municipality or county from which the member is to be appointed, to solicit the legislator's recommendation on the appointment; and

(4) a chair appointed by the governor for a term of four years. The chair may be removed at the pleasure of the governor.

Applicants for appointment under this section shall indicate their political party preference or lack thereof. The limitation of section 473.141, subdivision 2, paragraph (e), applies to the appointments made under this section.

Sec. 8. [APPLICATION.]

Sections 1 to 7 apply to appointments made after January 1, 1994. Sections 1 to 7 shall not be construed to require the removal of a member of the council or metropolitan agency but shall be implemented as vacancies occur.

This article applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington."

Delete the title and insert:

"A bill for an act relating to metropolitan government; regulating reports, budgets, personnel, members, and planning; amending Minnesota Statutes 1990, sections 462.357, subdivision 2; 473.123, subdivision 3; 473.141, subdivision 2; 473.1623, subdivisions 3, 5, and 6; 473.163, subdivision 2; 473.175, subdivision 1; 473.181, subdivision 5; 473.303, subdivision 2; 473.38, subdivision 1; 473.404, subdivision 2; 473.523; 473.553, subdivision 2; 473.604, subdivision 1; 473.661, by adding a subdivision; 473.705; 473.858, subdivision 1; and 473.865, subdivision 1; Minnesota Statutes 1991 Supplement, section 473.373, subdivision 4a; proposing coding for new law in Minnesota Statutes, chapter 473; repealing Minnesota Statutes 1990, sections 473.1623, subdivision 4; and 473.621, subdivisions 6 and 7."

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, I., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 1778, A bill for an act relating to metropolitan government; limiting the authority of the metropolitan council to authorize issuance of bonds for sewer facilities; limiting the authority of the public facilities authority to fund certain sewer projects; amending Minnesota Statutes 1990, sections 446A.05, subdivision 1, and by adding a subdivision; and 473.541, subdivisions 3, 4, and by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [POLICY STATEMENT.]

It is the policy of the state of Minnesota to allocate the costs of metropolitan area infrastructure, including interceptors and treatment works in the metropolitan disposal system, by methods that do not encourage urban sprawl or subsidize development by taxes or other costs imposed upon persons living in developed areas.

Sec. 2. Minnesota Statutes 1990, section 473.517, subdivision 2, is amended to read:

Subd. 2. [ALLOCATION OF METROPOLITAN TREATMENT WORKS AND INTERCEPTOR COSTS; ADJUSTED VOLUME.] Except as provided in ~~subdivision~~ subdivisions 3 and 3a, the current costs of all treatment works and interceptors in the metropolitan disposal system shall be allocated among and paid by all local government units in the sewer service area which will discharge sewage into them, directly or indirectly, into the metropolitan disposal system during the budget year, in proportion to the total volume estimated to be so discharged by each local government unit, adjusted as follows:

(a) increased or decreased, as the case may be, to the extent the commission determines, on the basis of such historical and reasonably projected data as may be available, that the sewage discharged by one unit will require more or less treatment to produce a suitable effluent than that discharged by others;

(b) decreased by any amount of surface water estimated by the commission to be discharged by a local government unit from a combined storm and sanitary sewer system;

(c) increased by that volume of normal sanitary sewage which is equivalent for treatment purposes to the volume of surface water

referred to in clause (b), as determined by the commission from available engineering data; and

(d) increased or decreased, as the case may be, by the amount of any substantial and demonstrable error in a previous estimate.

Sec. 3. Minnesota Statutes 1990, section 473.517, is amended by adding a subdivision to read:

Subd. 3a. [ALLOCATION OF METROPOLITAN TREATMENT WORKS AND INTERCEPTOR COSTS; REHABILITATION COSTS.] In preparing each budget the commission shall estimate the costs for debt service and capital improvements related to rehabilitation of metropolitan treatment works and interceptors in the metropolitan disposal system and deduct those costs from the current costs allocated under subdivision 2. The total amount deducted under this subdivision must be allocated among and paid by all local government units which will discharge sewage, directly or indirectly, into the metropolitan disposal system during the budget year, in proportion to the total volume estimated to be discharged by each local government unit as determined under subdivision 2.

Sec. 4. Minnesota Statutes 1990, section 473.517, is amended by adding a subdivision to read:

Subd. 6a. [ESTABLISHMENT OF SERVICE AREAS.] The commission, with the approval of the council, shall by resolution establish sewer service areas, designated by name or number, each comprising that part of the metropolitan area primarily served or to be served by a particular interceptor or group of interceptors, or part thereof, situated within the sewer service area. The sewer service areas shall be reasonably consistent with the council's geographic policy areas as defined in the council's metropolitan development and investment framework.

Sec. 5. [TRANSITION PLAN.]

In order to minimize the effects of the change in the cost allocation method provided by sections 1 to 4, the commission may adopt a reasonable implementation plan for transition from the cost allocation system in effect before the effective date of sections 1 to 4 and the cost allocation system established by those sections. The cost allocation system established by sections 1 to 4 must be fully effective in fiscal year 1996 after a phase-in period occurring in fiscal years 1994 through 1995.

Sec. 6. Laws 1991, chapter 183, section 1, is amended to read:

Section 1. [FULLY DEVELOPED AREA; STUDY.]

The metropolitan council must conduct a study of the development patterns and needs in the council-defined fully developed area. The council must direct its staff to:

- (1) examine both the development patterns and the migration patterns in the fully developed area that have occurred in the last 20 years with special attention to household composition;
- (2) compare the relative public costs of redevelopment in the fully developed area with the costs of development within the council-defined developing area. This work should include, but is not limited to, transportation and transit, wastewater treatment, public safety services, housing, and education;
- (3) examine the changing demographics of the fully developed area and other areas within the metropolitan region, and make projections regarding the economic and social condition of the fully developed area;
- (4) examine the anticipated effects of a light rail transit system on the economic and social condition of the fully developed area; and
- (5) recommend changes that would encourage the economic and social strengthening of the fully developed area.

In conducting its study, the council must use, along with other information, any available data from the 1990 census. The council must present its findings to the legislature by February 15, ~~1994~~ 1993. The council must also present interim briefings to the legislature on work in progress at least annually between the effective date of this act and the completion of the study.

Sec. 7. [CITATION.]

This act may be cited as the "metropolitan infrastructure stability act."

Sec. 8. [EFFECTIVE DATE; APPLICATION.]

This act is effective August 1, 1993, and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington."

Delete the title and insert:

"A bill for an act relating to metropolitan government; regulating the allocation of certain sewer improvement costs; amending Minnesota Statutes 1990, section 473.517, subdivision 2, and by adding subdivisions; and Laws 1991, chapter 183, section 1."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 1933, A bill for an act relating to highways; changing description of a route in the state highway system.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 1994, A bill for an act relating to agriculture; changing maximum annual ethanol producer payments in certain years; transferring certain money for an ethanol producers handbook; amending Minnesota Statutes 1991 Supplement, section 41A.09, subdivision 3.

Reported the same back with the following amendments:

Page 2, delete section 2

Page 3, delete section 3

Amend the title as follows:

Page 1, delete line 4

Page 1, line 5, delete "handbook;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Vellenga from the Committee on Judiciary to which was referred:

H. F. No. 2000, A bill for an act relating to probate; changing provisions relating to merger of trusts, certificates of trust, affidavits of trustees, and powers of attorney; amending Minnesota Statutes

1990, sections 508.62; 508A.62; 523.02; 523.03; 523.07; 523.08; 523.09; 523.11, subdivisions 1 and 2; 523.17; 523.18; 523.19; 523.21; 523.22; 523.23, subdivisions 1, 2, 3, and by adding subdivisions; 523.24, subdivisions 1, 7, 8, and 9; Minnesota Statutes 1991 Supplement, section 518.58, subdivision 1a; proposing coding for new law in Minnesota Statutes, chapters 501B; and 523; repealing Minnesota Statutes 1990, section 523.25.

Reported the same back with the following amendments:

Page 9, line 35, after "date" insert ", if any,"

Page 20, line 21, after "transactions" insert "in Minnesota" and delete "An attempt" and insert ")"

Page 20, delete line 22

Page 26, line 19, after the period insert "In the case of real property located in the state of Minnesota, the powers described in this subdivision are limited by the provisions of section 519.06."

Page 26, line 31, after "beneficiary" insert "or participant"

Page 28, line 29, after "beneficiary" insert "or participant"

Page 28, line 36, after "beneficiary" insert "or participant"

Page 29, line 13, delete "or, if" and insert "and, if authorized by"

Page 29, line 14, delete everything after "Third" and insert a comma

With the recommendation that when so amended the bill pass.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2001, A bill for an act relating to retirement; requiring the metropolitan airports commission to apply for certain state aid; providing an optional method for calculating annuities of certain members of the Minneapolis employees retirement fund; amending Minnesota Statutes 1990, section 69.011, by adding a subdivision; Minnesota Statutes 1991 Supplement, section 69.011, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 422A.

Reported the same back with the following amendments:

Page 1, line 22, after "and" insert ", for purposes of the police state aid program only,"

Page 2, line 35, strike "or" and insert a comma

Page 2, line 36, after "fund" insert ", or the Minneapolis employees retirement fund"

Page 3, line 22, delete "fire and"

Page 3, after line 24, insert:

"Sec. 3. Minnesota Statutes 1990, section 69.031, subdivision 5, is amended to read:

Subd. 5. [DEPOSIT OF STATE AID.] (1) The municipal treasurer, on receiving the fire state aid, shall within 30 days after receipt transmit it to the treasurer of the duly incorporated firefighters' relief association if there is one organized and the association has filed a financial report with the municipality; but if there is no relief association organized, or if any association dissolve, be removed, or has heretofore dissolved, or has been removed as trustees of state aid, then the treasurer of the municipality shall keep the money in the municipal treasury as provided for in section 424A.08 and shall be disbursed only for the purposes and in the manner set forth in that section.

(2) The municipal treasurer, upon receipt of the police state aid, shall disburse the police state aid in the following manner:

(a) For a municipality in which a local police relief association exists and all peace officers are members of the association, the total state aid shall be transmitted to the treasurer of the relief association within 30 days of the date of receipt, and the treasurer of the relief association shall immediately deposit the total state aid in the special fund of the relief association;

(b) For a municipality in which police retirement coverage is provided by the public employees police and fire fund and all peace officers are members of the fund, the total state aid shall be applied toward the municipality's employer contribution to the public employees police and fire fund pursuant to section 353.65, subdivision 3, and any state aid in excess of the amount required to meet the employer's contribution pursuant to section 353.65, subdivision 3, shall be deposited in the public employees insurance reserve holding account of the public employees retirement association; or

(c) For a municipality other than a city of the first class with a

population of more than 300,000 in which both a police relief association exists and police retirement coverage is provided in part by the public employees police and fire fund, the municipality may elect at its option to transmit the total state aid to the treasurer of the relief association as provided in clause (a), to use the total state aid to apply toward the municipality's employer contribution to the public employees police and fire fund subject to all the provisions set forth in clause (b), or to allot the total state aid proportionately to be transmitted to the police relief association as provided in this subdivision and to apply toward the municipality's employer contribution to the public employees police and fire fund subject to the provisions of clause (b) on the basis of the respective number of active full-time peace officers, as defined in section 69.011, subdivision 1, clause (g).

For a city of the first class with a population of more than 300,000, in addition, the city may elect to allot the appropriate portion of the total police state aid to apply toward the employer contribution of the city to the public employees police and fire fund based on the covered salary of police officers covered by the fund each payroll period and to transmit the balance to the police relief association.

(3) The county treasurer, upon receipt of the police state aid for the county, shall apply the total state aid toward the county's employer contribution to the public employees police and fire fund pursuant to section 353.65, subdivision 3, and any state aid in excess of the amount required to meet the employer's contribution pursuant to section 353.65, subdivision 3, shall be deposited in the public employees insurance reserve holding account of the public employees retirement association.

(4) The designated metropolitan airports commission official, upon receipt of the police state aid for the metropolitan airports commission, shall apply the total police state aid toward the commission's employer contribution to the Minneapolis employees retirement fund under section 422A.101, subdivision 2a.

Sec. 4. Minnesota Statutes 1990, section 422A.01, is amended by adding a subdivision to read:

Subd. 17. [FIREFIGHTER.] "Firefighter," for purposes of section 422A.151, means an employee of the metropolitan airports commission who was employed by the commission before June 30, 1978, and whose employment duties include, at a minimum, full-time service as an employee of a designated fire company who is engaged primarily in fire suppression and related duties, or as a person who is in charge of a designated fire company or companies and who is engaged in the hazards of fire fighting.

Sec. 5. Minnesota Statutes 1990, section 422A.01, is amended by adding a subdivision to read:



Subd. 18. [LICENSED PEACE OFFICER.] “Licensed peace officer,” for purposes of section 422A.151, means an employee of the metropolitan airports commission who was employed by the commission before June 30, 1978, and whose employment duties include, at a minimum, full-time service as an officer whose primary job it is to enforce the law, who is licensed by the Minnesota board of peace officer standards and training under sections 626.84 to 626.855, who is engaged in the hazards of protecting the safety and property of others, and who has the power to arrest by warrant.”

Page 3, delete lines 26 to 31, and insert:

“(a) In the case of a contributing member of the Minneapolis employees retirement fund who is employed as a licensed peace officer or firefighter with the metropolitan airports commission and who retires, becomes disabled within the meaning of section 422A.18, or dies, the retirement, disability, or survivor allowance is equal to the”

Page 3, lines 33 and 34, delete “the person is entitled to as a member” and insert “calculated for the person under the applicable provisions”

Page 3, line 36, delete “allowance” and insert “benefit”

Page 4, after line 7, insert:

“In computing the alternative benefit under section 353.651, 353.656, or 353.657, the applicable definitions and related provisions of chapter 353 must be used.

(b) If a contributing member under paragraph (a) has periods of coverage by the Minneapolis employees retirement fund that include service other than employment as a licensed peace officer or firefighter as well as employment as a licensed peace officer or firefighter, the calculation of the benefit under paragraph (a), clause (2), may only utilize service as a licensed peace officer or firefighter employed by the metropolitan airports commission.”

Page 4, line 9, after “2,” insert “3, 4, 5,” and delete the first and second “3” and insert “6”

Renumber the sections in sequence

Correct internal references

Amend the title as follows:

Page 1, line 7, delete “section” and insert “sections” and after

“subdivision” insert “; 69.031, subdivision 5; and 422A.01, by adding subdivisions”

With the recommendation that when so amended the bill pass.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2014, A bill for an act relating to retirement; local police and salaried firefighter relief associations; authorizing a local option in interest and salary increase actuarial assumptions; amending Minnesota Statutes 1991 Supplement, section 356.215, subdivisions 4d and 7.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [AUSTIN FIRE DEPARTMENT RELIEF ASSOCIATION; BOARD MEMBER PER DIEM.]

Notwithstanding any provision of Minnesota Statutes, section 69.80, to the contrary, if its bylaws so permit, the Austin fire department relief association may pay a per diem amount to members of the board of trustees of the relief association. The per diem amount payable to each board member may not exceed \$35 for each meeting of the board of trustees or other official function of the board of trustees.

Sec. 2. [HEALTH OR MEDICAL INSURANCE PREMIUM BENEFIT.]

(a) Notwithstanding any provision of general law, special law, articles of incorporation, or bylaws to the contrary, if its articles of incorporation or bylaws so permit, the Austin fire department relief association may pay a health or medical insurance premium benefit to eligible pension recipients.

(b) The health or medical insurance premium benefit is an amount equal to the amount that the city of Austin would pay under the applicable collective bargaining agreement for medical or health insurance coverage for a firefighter who is employed by the city and who has no dependents.

(c) An eligible pension recipient is a person who receives a service pension or a disability pension from the relief association and who is

under age 65 or who is not yet eligible for the receipt of federal Medicare benefits, whichever occurs first.

(d) The health or medical insurance premium benefit is payable monthly, is in addition to any other pension amount received by the eligible pension recipient, and is not subject to any postretirement adjustments applicable to service pensions or disability pensions.

Sec. 3. [CHANGE IN MAJOR ECONOMIC ACTUARIAL ASSUMPTIONS.]

Notwithstanding any provision of Minnesota Statutes, section 69.77, 356.215, or 356.216, to the contrary, in preparing the actuarial valuations of the Austin fire department relief association, the following actuarial assumptions must be used:

- (1) preretirement interest, six percent;
- (2) postretirement interest, six percent; and
- (3) salary increase, four percent.

Sec. 4. [EFFECTIVE DATE; LOCAL APPROVAL.]

(a) Section 1 is effective on the day following local approval. Sections 2 and 3 are effective on the December 31 next following local approval.

(b) Sections 1 to 3 are effective as indicated in paragraph (a) following approval by the city council of the city of Austin and compliance with Minnesota Statutes, section 645.021, subdivision 3."

Delete the title and insert:

"A bill for an act relating to retirement; Austin fire department relief association; authorizing an actuarial assumption change; providing various benefit increases; authorizing board member per diem payments."

With the recommendation that when so amended the bill pass.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2018, A bill for an act relating to retirement; St. Paul fire department relief association; increasing service pension amounts; substituting a revised longevity benefit; limiting future benefit reductions; amending Laws 1955, chapter 375, sections 21 and 22, as amended.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Laws 1955, chapter 151, section 9, subdivision 5, as amended by Laws 1963, chapter 271, section 5, and Laws 1971, chapter 549, section 3, is amended to read:

Subd. 5. [ST. PAUL POLICE RELIEF ASSOCIATION; ADDITIONAL SERVICE PENSIONS.] (a) In addition to the pension of 40 units per month provided for in subdivision 4, the association shall pay a pension of one unit per month for each additional year of service over 20 years, provided, however that each member who retires from the service of the police department after June 1, 1971, shall receive two units per month for each additional year of service over 20 years, but the total of these pension payments shall not exceed 50 units per month.

(b) Beginning with the first service pension payment made after the effective date of this section, a person who retired before June 1, 1971, and who did not receive the benefit increase provided by Laws 1971, chapter 549, section 3, is entitled to receive an additional one unit per month for each year of active service rendered by the person with over 20 years of service but not to result in a service pension in total that exceeds 50 units per month.

Sec. 2. Laws 1955, chapter 151, section 9, subdivision 6, as amended by Laws 1973, chapter 286, section 1, is amended to read:

Subd. 6. [ST. PAUL, CITY OF; POLICE PENSIONS.] (a) The association shall pay to any member permanently disabled physically or mentally because of an injury received while on duty as a member of the city police department so as to render necessary his retirement from active police service, a pension of 40 units per month, if the date of the retirement was prior to January 1, 1949. If the date of such retirement is subsequent to January 1, 1949, and occurs during the first 20 years of his service, the association shall pay him a pension of 40 units per month. If such retirement occurs after 21 years of service, the association shall pay him a pension of one unit per month for each additional year of service over 20 years; provided, however, if the date of such retirement is subsequent to

June 1, 1971, the association shall pay him a pension of two units per month for each year of service over 20 years, regardless of whether he has attained the age of 50 years; but the total of these pension payments shall not exceed 50 units per month.

(b) Beginning with the first disability benefit payment made after the effective date of this section, a person who was disabled before June 1, 1971, and who did not receive the benefit increase provided by Laws 1973, chapter 286, section 1, is entitled to receive an additional one unit per month for each year of active service rendered by the person with over 20 years of service but not to result in a disability benefit in total that exceeds 50 units per month.

Sec. 3. Laws 1955, chapter 375, section 21, as amended by Laws 1967, chapter 644, section 1, is amended to read:

Sec. 21. [ST. PAUL, CITY OF; ~~FIREMEN'S FIRE DEPARTMENT RELIEF ASSOCIATIONS ASSOCIATION;~~ UNIT DEFINED; AMOUNT OF DISABILITY BENEFITS.]

Subdivision 1. [DEFINITION OF UNIT.] A unit as referred to hereinafter in this act shall be one-eighth of the maximum current monthly salary of a first grade fire fighter on February 1 of the current calendar year in which the pensions provided for in this act are paid.

Subd. 2. [MAXIMUM DISABILITY BENEFITS.] A member of any such relief association is entitled to disability benefits as herein defined, shall receive the same from his association for such periods of time, at such times, and in such amounts, not to exceed 40 units per month, as the by-laws of said association provide.

Sec. 4. Laws 1955, chapter 375, section 22, as amended by Laws 1973, chapter 287, section 1, is amended to read:

Sec. 22. [SAINT PAUL, CITY OF; ~~FIREMEN'S FIRE DEPARTMENT RELIEF ASSOCIATION;~~ RETIREMENT BENEFITS SERVICE PENSIONS.]

Subdivision 1. [PRIMARY SERVICE PENSION; GENERAL PROVISIONS.] A member of such association who has completed a period, or periods of service on the fire department equal to 20 years or more, shall, after he has arrived at the age of 50 years, or more, and has retired from the payroll of the fire department, be entitled to a basic pension of not less than 20 units and not more than 33 units per month for his natural life in conformity to the by-laws of such association. Any and all leaves of absence of more than 90 days, except such as are granted to a member because of his disability due to sickness or accident, shall be excluded in computing said period of service; and all periods of time during which a member received a

disability pension shall be excluded in such computation. No deduction shall be made for a leave of absence granted to a member to enable him to accept an appointive position in said fire department. No member shall be entitled to draw both a disability and a service pension.

Such monthly basic payments may be increased by adding to said basic pension 1 unit per month, or any portion thereof, for each year of active duty over 20 and not more than 35 years. Provided further, however, that for a member who retires after July 1, 1973, such monthly basic payments may be increased by the addition of 2 units per month, or any portion thereof, for each year of active duty over 20 years.

The by-laws of such association may provide for these increases, or any portion thereof: provided, that in no event the total pension exceed the sum of 40 units per month.

Subd. 2. [INCREASE IN CERTAIN PRE-1973 PENSION AMOUNTS.] Beginning with the first service pension payment made after the effective date of this section, a person who retired before July 1, 1973, and who did not receive the benefit increase provided by Laws 1973, chapter 287, section 1, is entitled to receive an additional one unit per month for each year of active service rendered by the person over 20 years of service, but not to exceed 35 years of service, and not to result in a service pension in total that exceeds 40 units per month.

**Sec. 5. [LIMITATION ON POSTRETIREMENT BENEFIT REDUCTIONS.]**

A monthly service pension or retirement benefit payment from the St. Paul fire department relief association or the St. Paul police relief association may not be reduced in amount to an amount that is less than that received by the person for the immediately previous month. This limitation may not be construed to limit the power of the board of trustees of the relief association to require proof of continuing eligibility for receipt of a disability benefit or a survivor benefit, or to require the reduction in amount or elimination of a disability benefit in the event of changed medical circumstances, or to require the reduction in amount or elimination of a survivor benefit in the event of changes in eligibility.

**Sec. 6. [EFFECTIVE DATE.]**

Sections 1 to 5 are effective upon approval by the city council of the city of St. Paul and compliance with Minnesota Statutes, section 645.021."

Delete the title and insert:

"A bill for an act relating to retirement; St. Paul fire department and police relief associations; increasing service pension amounts; limiting future benefit reductions; amending Laws 1955, chapters 151, section 9, subdivisions 5 and 6, as amended; and 375, sections 21 and 22, as amended."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 2032, A bill for an act relating to highways; providing for resolution of local disapproval of certain county state-aid highway actions; providing that part of county state-aid highway fund be apportioned on basis of lane-miles; changing composition of county state-aid screening board; making technical changes; amending Minnesota Statutes 1990, sections 160.02, by adding a subdivision; 162.02, subdivisions 8, 10, and by adding a subdivision; 162.07, subdivisions 1, 5, and 6; and 162.155.

Reported the same back with the following amendments:

Page 3, after line 13, insert:

"Sec. 5. Minnesota Statutes 1991 Supplement, section 162.021, subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT; STANDARDS AND RULES.]  
(a) The commissioner shall establish a natural preservation routes category within the county state-aid highway system.

(b) Natural preservation routes include:

(1) those routes that possess designated by the commissioner under subdivision 5 as possessing particular scenic, environmental, or historical characteristics, such as routes along lakes or through forests, wetlands, or flood plains, that would be harmed by construction or reconstruction meeting the engineering standards under section 162.07 or the rules adopted under that section; and

(2) any county state-aid highway any segment of which passes through or adjacent to a wild and scenic river district established under chapter 103F.

(c) The commissioner shall adopt rules establishing minimum construction and reconstruction standards that address public safety

and reflect the function, lower traffic volume, and slower speed on natural preservation routes. The rules may not establish standards for natural preservation routes that are higher than the standards for national forest highways within national forests and state park access roads within state parks. Design standards specifying slopes, construction limits, and the width of vehicle recovery areas on forest highways, forest and park roads, and on natural preservation routes must minimize harmful environmental impact. In the case of reconstruction of a natural preservation route, design standards must provide for the preservation to the greatest extent possible of the existing profile, alignment, recovery area, and cross section of the existing highway, and the minimization to the greatest extent possible of acquisition of real property for the reconstruction.

Sec. 6. Minnesota Statutes 1991 Supplement, section 162.021, is amended by adding a subdivision to read:

Subd. 1a. [PROJECT REVIEW, HEARING, AND APPROVAL.] A county may not reconstruct a natural preservation route where the reconstruction project would (1) materially change the existing profile, alignment, recovery area, or cross section of the existing highway, or (2) require the acquisition of any significant amount of real property, unless the project has been approved by the commissioner as provided in this subdivision. On receiving a request for approval of such a project, the commissioner shall refer the request to the appropriate advisory committee established under subdivision 5, paragraph (b). The advisory committee shall, after holding at least one public hearing in the area affected by the project, consider the request and make a recommendation to the commissioner. Following receipt of the committee's recommendation the commissioner shall issue an order approving or disapproving the project, or approving it with such modifications as the commissioner determines will best preserve the highway's scenic, environmental, or historic characteristics. The county may not proceed with the reconstruction project except in conformity with the commissioner's order.

This subdivision does not apply to the construction of bicycle paths and pedestrian walkways that are separate from the roadway and shoulder of a natural preservation route.

Sec. 7. Minnesota Statutes 1991 Supplement, section 162.021, subdivision 5, is amended to read:

Subd. 5. [DESIGNATION; ADVISORY COMMITTEES.] (a) Except for those routes designated as natural preservation routes under subdivision 1, paragraph (b), clause (2), the commissioner may designate a county state-aid highway as a natural preservation route only on petition of the county board of the county having jurisdiction over the road. Within 60 days after a county board receives a written request to designate a county state-aid highway



as a natural preservation route, the county board shall act on the request.

(b) The commissioner shall appoint an advisory committee for each construction district consisting of seven members: one member of the department of natural resources, one county commissioner, one county highway engineer, one representative of a recognized environmental organization, and three members of the public. The commissioner shall refer each petition received under this subdivision to the appropriate advisory committee. The advisory committee shall consider the petition for designation and make a recommendation to the commissioner. Following receipt of the committee's recommendation, the commissioner may designate the highway as a natural preservation route."

Page 5, after line 11, insert:

"Sec. 11. Minnesota Statutes 1990, section 162.09, subdivision 1, is amended to read:

Subdivision 1. [CREATION.] There is created a municipal state-aid street system within cities having a population of 5,000 or more. The extent of the municipal state-aid street system shall not exceed ~~2,500~~ 3,000 miles, plus the mileage of all trunk highways reverted or turned back to the jurisdiction of cities pursuant to law on and after July 1, 1965. The system shall be established, located, constructed, reconstructed, improved, and maintained as public highways within such cities under rules, not inconsistent with this section, made and promulgated by the commissioner as hereinafter provided.

Sec. 12. Minnesota Statutes 1990, section 162.09, subdivision 4, is amended to read:

Subd. 4. ~~[FEDERAL CENSUS TO BE CONCLUSIVE DETERMINING POPULATION.]~~ (a) ~~In determining whether any city has a population of 5,000 or more, the last federal census shall be conclusive.~~

(b) For purposes of eligibility for inclusion in the municipal state-aid system in any year, population shall be determined by the most recent federal decennial census, a special census conducted under contract with the United States Bureau of the Census, a population estimate made by the metropolitan council, or a population estimate of the state demographer, whichever the commissioner determines is the most recent as to the stated date of the count or estimate for the preceding calendar year. A city that has previously been classified as having a population of 5,000 or more for the purposes of chapter 162 and whose population decreases by less than 15 percent from the census figure that last qualified the city for inclusion shall receive the following percentages of its 1981 apportionment for the years indicated: 1982, 66 percent and 1983, 33

percent. Thereafter the city shall not receive any apportionment from the municipal state-aid street fund unless its population is determined to be 5,000 or over by a federal census. The governing body of the city may contract with the United States Bureau of the Census to take one special census before January 1, 1986. A certified copy of the results of the census shall be filed with the appropriate state authorities by the city. The result of the census shall be the population of the city for the purposes of any law providing that population is a required qualification for distribution of highway aids under chapter 162. The special census shall remain in effect until the 1990 federal census is completed and filed. The expense of taking the special census shall be paid by the city.

(e) (b) If an entire area not heretofore incorporated as a city is incorporated as such during the interval between federal censuses, its population shall be determined by its incorporation census. The incorporation census shall be determinative of the population of the city only until the next federal census.

Sec. 13. Minnesota Statutes 1990, section 162.13, subdivision 3, is amended to read:

Subd. 3. [~~SCREENING COMMITTEE~~ BOARD.] On or before September 1 of each year, the engineer of each city having a population of 5,000 or more shall forward to the commissioner on forms prepared by the commissioner, all information relating to the money needs of the city that the commissioner deems necessary in order to apportion the municipal state-aid street fund in accordance with the apportionment formula heretofore set forth. Upon receipt of the information the commissioner shall appoint a board of city engineers. The board shall be composed of two engineers from the state highway construction district that includes the metropolitan area as defined in section 473.121, subdivision 2, one engineer from each of the remaining state highway construction district districts, and in addition thereto, one engineer from each city of the first class. The board shall investigate and review the information submitted by each city. On or before November 1 of each year, the board shall submit its findings and recommendations in writing as to each city's money needs to the commissioner on a form prepared by the commissioner. Final determination of the money needs of each city shall be made by the commissioner. In the event that any city shall fail to submit the information provided for herein, the commissioner shall estimate the money needs of the city. The estimate shall be used in solving the apportionment formula. The commissioner may withhold payment of the amount apportioned to the city until the information is submitted."

Page 5, line 26, delete "8" and insert "14"

Renumber the sections in sequence

Correct internal references

Amend the title as follows:

Page 1, line 4, after the semicolon insert "expanding natural preservation routes category and specifying standards and procedures for their construction and reconstruction;"

Page 1, line 6, after "county" insert "and municipal"

Page 1, line 7, delete "board;" and insert "boards; increasing the mileage of the municipal state-aid street system; providing for determination of population for eligibility for inclusion in the municipal state-aid street system;"

Page 1, line 10, delete the second "and"

Page 1, line 11, before "162.155" insert "162.09, subdivisions 1 and 4; 162.13, subdivision 3; and" and before the period insert "; Minnesota Statutes 1991 Supplement, section 162.021, subdivisions 1, 5, and by adding a subdivision"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 2065, A bill for an act relating to human services; establishing a grant program for crime prevention services for Asian youth; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 256.

Reported the same back with the following amendments:

Page 2, after line 17, insert:

"Sec. 3. [APPROPRIATION.]

\$...... is appropriated from the general fund to the commissioner of the department of jobs and training for grants to supplement youth employment, training, service, or leadership development programs currently funded under the federal Job Training Partnership Act to be available for the biennium ending June 30, 1993."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Vellenga from the Committee on Judiciary to which was referred:

H. F. No. 2076, A bill for an act relating to landlords and tenants; providing for assignment to the county attorney of the landlord's right to evict for breach of the covenant not to sell drugs or permit their sale; clarifying the law on forfeiture of real estate interests related to contraband or controlled substance seizures; amending Minnesota Statutes 1990, sections 504.181, subdivision 2; and 609.5317, subdivision 1.

Reported the same back with the following amendments:

Page 2, after line 7, insert:

“Sec. 2. Minnesota Statutes 1990, section 609.5311, subdivision 3, is amended to read:

**Subd. 3. [LIMITATIONS ON FORFEITURE OF CERTAIN PROPERTY ASSOCIATED WITH CONTROLLED SUBSTANCES.]** (a) A conveyance device is subject to forfeiture under this section only if the retail value of the controlled substance is \$25 or more and the conveyance device is associated with a felony-level controlled substance crime.

(b) Real property is subject to forfeiture under this section only if the retail value of the controlled substance or contraband is \$1,000 or more.

(c) Property used by any person as a common carrier in the transaction of business as a common carrier is subject to forfeiture under this section only if the owner of the property is a consenting party to, or is privy to, the use or intended use of the property as described in subdivision 2.

(d) Property is subject to forfeiture under this section only if its owner was privy to the use or intended use described in subdivision 2, or the unlawful use or intended use of the property otherwise occurred with the owner's knowledge or consent.

(e) Forfeiture under this section of a conveyance device or real property encumbered by a bona fide security interest is subject to the interest of the secured party unless the secured party had knowledge of or consented to the act or omission upon which the forfeiture is

based. A person claiming a security interest bears the burden of establishing that interest by clear and convincing evidence.

(f) Notwithstanding paragraphs (d) and (e), property is not subject to forfeiture based solely on the owner's or secured party's knowledge of the unlawful use or intended use of the property: (1) if the owner or secured party took reasonable steps to terminate use of the property by the offender; or (2) the property is real property owned by the parent of the offender, unless the parent is criminally liable under section 609.05 for the act or omission giving rise to the forfeiture."

Renumber the remaining sections in sequence

Page 3, line 6, delete "county" and insert "building or complex of buildings"

Page 3, line 19, after the period, insert:

"Section 2 is effective the day after final enactment and applies to forfeiture proceedings commenced or pending on or after that date."

Page 3, line 20, delete "2" and insert "3"

Amend the title as follows:

Page 1, line 9, after the semicolon insert "609.5311, subdivision 3,"

With the recommendation that when so amended the bill pass.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 2093, A bill for an act relating to education; prohibiting the use of all tobacco products in public elementary and secondary schools; amending Minnesota Statutes 1990, sections 144.413, subdivision 2; and 144.417, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 144.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1990, section 144.413, subdivision 2, is amended to read:

Subd. 2. [PUBLIC PLACE.] “Public place” means any enclosed, indoor area used by the general public or serving as a place of work, including, but not limited to, restaurants, retail stores, offices and other commercial establishments, public conveyances, educational facilities other than public schools, as defined in section 120.05, subdivision 2, hospitals, nursing homes, auditoriums, arenas and meeting rooms, but excluding private, enclosed offices occupied exclusively by smokers even though such offices may be visited by nonsmokers.

Sec. 2. [144.4165] [TOBACCO PRODUCTS PROHIBITED IN PUBLIC SCHOOLS.]

No person shall at any time smoke or use any other tobacco product in a public school, as defined in section 120.05, subdivision 2. This prohibition extends to all facilities, whether owned, rented, or leased, all school grounds, and all vehicles that a school district owns, leases, rents, contracts for, or controls. This prohibition does not apply to a technical college.

Sec. 3. Minnesota Statutes 1990, section 144.417, subdivision 2, is amended to read:

Subd. 2. [PENALTIES.] Any person who violates section 144.414 or 144.4165 is guilty of a petty misdemeanor.

Sec. 4. Minnesota Statutes 1990, section 144.417, subdivision 3, is amended to read:

Subd. 3. [INJUNCTION.] The state commissioner of health, a board of health as defined in section 145A.02, subdivision 2, or any affected party may institute an action in any court with jurisdiction to enjoin repeated violations of section 144.416 or 144.4165.

Sec. 5. [EFFECTIVE DATE.]

Sections 1 to 4 are effective August 15, 1993.”

Delete the title and insert:

“A bill for an act relating to education; prohibiting the use of all tobacco products in public elementary and secondary schools; amending Minnesota Statutes 1990, sections 144.413, subdivision 2; and 144.417, subdivisions 2 and 3; proposing coding for new law in Minnesota Statutes, chapter 144.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 2125, A bill for an act relating to agriculture; adding Roseau and Koochiching counties to the restricted seed potato growing area; amending Minnesota Statutes 1990, section 21.1196, subdivision 1.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2147, A bill for an act relating to the environment; banning placement of mercury in solid waste; regulating the sale and use of mercury; requiring recycling of mercury in certain products; amending Minnesota Statutes 1991 Supplement, section 115A.9561, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 115A and 116.

Reported the same back with the following amendments:

Page 1, line 11, before "medical" insert "or"

Page 1, line 12, delete everything after "instrument"

Page 1, line 13, delete everything before "from"

Page 2, line 29, after "product" insert ", other than a motor vehicle"

Page 2, line 33, before "When" insert "(a)"

Page 3, line 2, before "A" insert "(b)"

Page 3, line 11, after "provide" insert "incentives for and" and delete "and incentives for"

Delete page 3, line 21, to page 4, line 6, and insert:

“Subd. 7. [FLUORESCENT AND HIGH INTENSITY DISCHARGE LAMPS; LARGE USE APPLICATIONS.] (a) A person who sells fluorescent or high intensity discharge lamps that contain mercury to the owner or manager of an industrial, commercial, office, or multiunit residential building, or to any person who replaces or removes from service outdoor lamps that contain mercury, shall clearly inform the purchaser in writing on the invoice for the lamps, or in a separate writing, that the lamps contain mercury, a hazardous substance that is regulated by federal or state law.

(b) A person who contracts with the owner or manager of an industrial, commercial, office, or multiunit residential building, or with a person responsible for outdoor lighting, to remove from service fluorescent or high intensity discharge lamps that contain mercury shall clearly inform, in writing, the person for whom the work is being done that the lamps being removed from service contain mercury and what the contractor’s arrangements are for the management of the mercury in the removed lamps.

Subd. 8. [FLUORESCENT OR HIGH INTENSITY DISCHARGE LAMPS; HOUSEHOLD APPLICATIONS.] On and after August 1, 1994, no person may sell a fluorescent or high intensity discharge lamp that contains mercury at retail that is not packaged in a reusable container. On and after August 1, 1994, no person may sell a fluorescent or high intensity discharge lamp that contains mercury at retail that is not labeled on the lamp or on the reusable packaging for the lamp that the lamp contains mercury and that any lamp it replaces must be placed in the packaging for the new lamp and returned to a designated place for proper management.”

Page 4, line 7, delete “8” and insert “9”

Page 4, after line 9, insert:

“Subd. 10. [ENFORCEMENT.] Nothing in this section affects the authority of the pollution control agency or its commissioner to enforce any laws applicable to management of mercury.”

Page 4, line 10, delete “AND FIXTURES”

Page 4, line 13, after “management” insert “and manufacturers of fluorescent or high intensity discharge lamps that contain mercury”

Page 4, line 14, delete “November 1, 1992” and insert “February 1, 1993”

Page 4, line 15, before “implementing” insert “fully” and after “implementing” insert “by January 1, 1996,”

Page 4, line 16, delete “or lighting fixtures”



Page 4, line 17, after "households" insert "and that a state agency replaces either indoors or outdoors, are" and delete "is"

Page 4, line 18, after the period insert "The commissioner shall submit a preliminary report to the commission by November 1, 1992."

Page 4, delete lines 20 to 23, and insert:

"Sections 1 and 3, subdivisions 2, 4, paragraph (a), 6, 7,"

Page 4, line 24, delete "and" and after "8" insert ", and 9"

Page 4, line 25, after "3," insert "and" and delete "and 7, paragraph (a)," and after the period insert "Section 3, subdivision 4, paragraph (b), is effective July 1, 1993."

With the recommendation that when so amended the bill pass.

The report was adopted.

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 2160, A bill for an act relating to family law; modifying provisions dealing with the administration, computation, and enforcement of child support; modifying visitation provisions; imposing penalties; appropriating money; amending Minnesota Statutes 1990, sections 257.67, subdivision 3; 357.021, subdivision 1a; 518.14; 518.171, subdivisions 1, 3, 4, and 6; 518.175, subdivision 1; 518.54, subdivision 4; 518.551, subdivisions 1, 7, and 10, and by adding subdivisions; 518.57, subdivision 1, and by adding a subdivision; 518.611, subdivision 4; 548.091, subdivision 1a; 588.20; 609.375, subdivisions 1 and 2; Minnesota Statutes 1991 Supplement, sections 214.101, subdivision 1; 357.021, subdivision 2; 518.551, subdivisions 5 and 12; 518.64, subdivisions 1, 2, and 5; proposing coding for new law in Minnesota Statutes, chapters 16B; and 518; repealing Minnesota Statutes 1990, section 609.37.

Reported the same back with the following amendments:

Page 4, line 29, delete the new language

Page 4, delete lines 30 to 33

Page 4, line 34, delete "amount,"

Page 5, line 35, strike "obligor's" and insert "parent's"

Page 6, line 1, strike "obligor" and insert "parent"

Page 6, lines 2 and 5, strike "obligor" and insert "parent"

Page 6, line 29, strike "obligor's" and insert "insured's"

Page 6, line 31, strike "obligee" and insert "other parent"

Page 6, delete lines 34 and 35

Page 6, line 36, delete everything before "the"

Page 7, line 4, after the period insert "The cost of child care for purposes of this section shall be determined by subtracting from the actual cost paid for child care, the amount of the federal and state income tax credits for child care."

Page 28, line 7, delete "TASK FORCE" and insert "COLLECTIONS AND COST RECOVERY"

Page 28, lines 8 and 9, delete "convene a task force consisting of" and insert "consult with"

Page 28, line 12, delete "collect" and insert "increase the collection of"

Page 28, line 13, after "arrearages" insert "and to institute cost recovery in child support enforcement"

Page 28, lines 14 and 15, delete "of the task force"

With the recommendation that when so amended the bill be re-referred to the Committee on Appropriations without further recommendation.

The report was adopted.

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 2168, A bill for an act relating to human services; providing for six demonstration projects to test alternatives to the delivery of mental health services; amending Minnesota Statutes 1990, section 256E.05, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1990, section 256E.05, is amended by adding a subdivision to read:

Subd. 3b. [DEMONSTRATION PROJECTS.] (a) Notwithstanding section 256E.05, subdivision 3a, the commissioner shall establish a pilot project in Ramsey county to test alternatives to the delivery of mental health services required under sections 245.461 to 245.486.

(b) The authority of the county board to set policy for the provision of mental health services is prescribed in section 245.466. The authority encompasses policies relating to all local administrative, fiscal, and clinical activity.

(c) The demonstration project may include issues in the service delivery system relating to:

(1) financial assistance and the ability to use existing funds flexibly to downsize residential facilities for persons with mental illness governed by Minnesota Rules, parts 9520.0500 to 9520.0690;

(2) integrated program funding to permit flexibility in expenditures based on local needs and local control;

(3) flexibility in the delivery of case management services;

(4) waiver or removal of the rate cap and moratorium on negotiated rate facilities; and

(5) establishing a county human services department as the primary agency accountable to the county board for planning, evaluation, and monitoring of a centralized mental health service system.

(d) For purposes of the demonstration project, the integrated funding may include, but not be limited to, current mental health expenditures, including maintenance costs, from the following sources provided that any share of mental health expenditures from sources listed that are used for commitment or treatment in a regional treatment center must not be part of integrated funding:

(1) general assistance medical care;

(2) general assistance;

(3) medical assistance;

(4) Minnesota supplemental aid;

(5) grants for residential services for adults with mental illness;

(6) grants for community support services programs for persons with serious and persistent mental illness; and

(7) mental health special project grants.

(e) Evaluation of the project will be based on outcome evaluation criteria negotiated with the county before implementation of the demonstration projects.

(f) If the county fails to meet the conditions in the demonstration projects' proposals as approved by the commissioner, the commissioner may rescind the waiver rule and regulations.

(g) The demonstration project must be completed by July 1, 1996, and a report issued to the commissioner by January 1, 1997."

Delete the title and insert:

"A bill for an act relating to human services; providing a pilot project to test alternatives to the delivery of mental health services; amending Minnesota Statutes 1990, section 256E.05, by adding a subdivision."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Anderson, I., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2183, A bill for an act relating to the city of Zumbrota; allowing informational signs.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1990, section 173.08, subdivision 1, is amended to read:

Subdivision 1. [ADVERTISING DEVICES RESTRICTED.] No advertising device, excepting the advertising devices described and permitted under sections 173.01 to 173.27, shall be erected or maintained in an adjacent area, after June 8, 1971, except the following:

(a) Directional and other official signs, including, but not limited to, signs pertaining to natural wonders, scenic and historical attractions, which are required or authorized by law, and which comply with rules which shall be promulgated by the commissioner relative to their lighting, size, spacing and other requirements as may be appropriate to implement sections 173.01 to 173.27;

(b) Advertising devices advertising the sale or lease of property upon which they are located, provided that there shall not be more than one such sign, advertising the sale or lease of the same property, visible to traffic proceeding in any one direction on any one interstate or primary highway;

(c) Advertising devices advertising activities conducted on the property on which they are located, including, without limiting the generality of the foregoing, goods sold, stored, manufactured, processed or mined thereon, services rendered thereon, and entertainment provided thereon;

(d) Advertising devices stating the name and address of the owner, lessee or occupant of such property or information otherwise required or authorized by law to be posted or displayed thereon;

(e) Public utility signs;

(f) Service club and religious notices;

(g) Advertising devices of which the advertising copy or the name of the owner thereof is in no part visible from the traveled way of the aforesaid highways;

(h) Advertising devices which are located, or which are to be located, in business areas and which comply, or will comply when erected, with the provisions of sections 173.01 to 173.27;

(i) Signs placed temporarily by auctioneers under section 169.07<sub>2</sub>;

(j) Community identification signs which are located within two miles of the community and do not exceed 750 square feet. "Community" means a county, town, or home rule charter or statutory city. Prior to the erection of a community identification sign, the community must:

(1) obtain approval from the governing body of the community;

(2) consult with local road authorities on placement and location of the sign; and

(3) obtain consent of the owner of the land on which the sign is to be erected.

Sec. 2. Minnesota Statutes 1991 Supplement, section 173.13, subdivision 4, is amended to read:

Subd. 4. [FEES.] The annual fee for each such permit or renewal thereof shall be as follows:

(1) If the advertising area of the advertising device does not exceed 50 square feet, the fee shall be \$25 ~~on July 1, 1991, and \$30 on July 1, 1992, and thereafter.~~

(2) If the advertising area exceeds 50 square feet but does not exceed 300 square feet, the fee shall be \$50 ~~on July 1, 1991, and \$60 on July 1, 1992, and thereafter.~~

(3) If the advertising area exceeds 300 square feet, the fee shall be \$100 ~~on July 1, 1991, and \$120 on July 1, 1992, and thereafter.~~

(4) No fee shall be charged for a permit for official signs and notices as they are defined in section 173.02, except that a fee may be charged for a star city sign erected under section 173.085.

Sec. 3. Minnesota Statutes 1990, section 173.16, subdivision 5, is amended to read:

Subd. 5. [LOCAL CONTROL.] (1) Whenever a bona fide county or local zoning authority has made a legitimate determination of customary usage and in the judgment of the commissioner, reasonably provides for size, lighting and spacing control of advertising devices, such determination shall be accepted in lieu of the provisions of this chapter in the zoned commercial and industrial areas within the geographical jurisdiction of such authority.

(2) All county and local zoning authorities shall give notice to the commissioner of transportation of the establishment or revision of any commercial and industrial zones pursuant to subdivision 1. Notice shall be by certified mail sent to the office of the commissioner of transportation in St. Paul, Minnesota, within 15 days after the effective date of the zoning change or establishment.

(3) The commissioner may not disapprove any zoning ordinance adopted by a county or local zoning authority that has the effect of establishing a business area unless the zoning ordinance would result in the loss to the state of federal highway funds.

## Sec. 4. [PUBLIC LIBRARY DISTRICT; ADVISORY ELECTION.]

The board of county commissioners of Otter Tail county and the city council of the city of Fergus Falls by resolutions adopted by each of them may submit to the voters that reside within the boundaries of independent school district No. 544, except that part of the school district located in Wilkin county, the question of whether the county board and the city council shall request the legislature of the state of Minnesota to enact legislation to provide for the establishment of a public library district to provide library service to those persons residing within the boundaries of independent school district No. 544, except for that part of the school district located in Wilkin county. If the resolutions are adopted as provided in this section, the question shall be submitted at the 1992 general election and the form of the ballot shall be:

“Shall the board of county commissioners of Otter Tail county and the city council of the city of Fergus Falls request legislation from the Minnesota legislature to provide for a public library district for the purpose of providing library service to those persons residing within the boundaries of independent school district No. 544, except that part of the school district located in Wilkin county?”

Yes .....  
No .....

The results of the election on the question submitted shall be advisory only to the county board and the city council and shall have no binding effect upon a decision to request the Minnesota legislature to provide for a public library district.

## Sec. 5. [LOCAL APPROVAL.]

Section 4 takes effect the day after the filing of a certificate of local approval by the board of county commissioners of Otter Tail county and the city council of the city of Fergus Falls in compliance with Minnesota Statutes, section 645.021, subdivision 3.”

Delete the title and insert:

“A bill for an act relating to local government; authorizing placement of community identification signs; amending fees for highway advertising devices; restricting the commissioner’s authority over business zoning; authorizing Otter Tail county and the city of Fergus Falls to ask voters whether a public library district should be established; amending Minnesota Statutes 1990, section 173.08, subdivision 1; and 173.16, subdivision 5; Minnesota Statutes 1991 Supplement, section 173.13, subdivision 4.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 2238, A bill for an act relating to health; requiring initiatives and program changes related to rural health; modifying rural hospital grant programs; establishing a rural health advisory committee; assigning duties to the office of rural health; modifying distribution of money in the emergency medical services system fund; creating an account for pediatric access and training; increasing medical assistance reimbursement to small hospitals and ambulance services; requiring studies; appropriating money; amending Minnesota Statutes 1990, sections 16A.124, by adding a subdivision; 43A.17, subdivision 9; 43A.23, by adding a subdivision; 144.147, subdivisions 1, 3, and 4; 144.581, subdivision 1, and by adding a subdivision; 144.8093; and 447.31, subdivisions 1 and 3; Minnesota Statutes 1991 Supplement, section 256.969, subdivision 20; proposing coding for new law in Minnesota Statutes, chapter 144.

Reported the same back with the following amendments:

Page 2, delete section 3

Pages 5 to 9, delete sections 7 to 11

Pages 14 and 15, delete section 17

Pages 17 and 18, delete sections 22 to 24

Page 18, after line 28, insert:

“Sec. 16. [COMMUNITY HEALTH CLINIC DEMONSTRATION PROJECT.]

The commissioner of health shall establish a demonstration project to determine whether the community health clinic model can be successfully implemented by community action agencies established under Minnesota Statutes, sections 268.52 to 268.54. The commissioner shall contract with an association of nonprofit community health clinics that do not receive federal funding to implement and administer the demonstration project. The association awarded the contract shall establish a minimum of eight community health clinics in collaboration with community action agencies. The association shall develop criteria and an application process for choosing sites for the community health clinics. The criteria shall



ensure that the community health clinics are established in areas of the state that demonstrate a significant degree of health care underservice and high levels of poverty. The criteria must also include a local match requirement for the state funds provided. The commissioner, in consultation with the association, shall develop procedures for evaluating the effectiveness of the demonstration project. The association awarded the contract shall present a project evaluation report to the legislature and the commissioner by January 15, 1994.

Page 18, line 32, delete everything after “sections” and insert “3, 9, 10, and 16.”

Page 18, line 35, delete “17, 20, and 25” and insert “13 and 15”

Page 19, line 4, delete everything after the period

Page 19, delete line 5

Re-number sections in sequence

Correct internal references

Delete the title and insert:

“A bill for an act relating to health; requiring program changes related to rural health; modifying distribution of money in the emergency medical services system fund; creating an account for pediatric access and training; requiring studies; establishing a community health clinic demonstration project; appropriating money; amending Minnesota Statutes 1990, sections 16A.124, by adding a subdivision; 43A.17, subdivision 9; 144.147, subdivisions 1, 3, and 4; 144.581, subdivision 1, and by adding a subdivision; 144.8093; and 447.31, subdivisions 1 and 3; proposing coding for new law in Minnesota Statutes, chapter 144.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2282, A bill for an act relating to outdoor recreation; granting counties an option to decline to participate in the distribution of snowmobile and all-terrain vehicle trail grant-in-aid

funds; amending Minnesota Statutes 1990, sections 84.83, by adding a subdivision; and 85.018, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1990, section 84.83, is amended by adding a subdivision to read:

Subd. 4. [PROVISIONS APPLICABLE TO FUNDING RECIPIENTS.] Recipients of Minnesota trail assistance program funds must be afforded the same protection and be held to the same standard of liability as a landowner under chapter 87 for activities associated with the administration, design, construction, maintenance, and grooming of snowmobile trails.

Sec. 2. Minnesota Statutes 1990, section 84.87, is amended by adding a subdivision to read:

Subd. 2c. [APPLICATION OF SPEED LIMITS TO TESTING ACTIVITIES.] (a) A speed limit established by the commissioner in rules adopted under section 84.86 does not apply to a snowmobile that is being operated as part of a testing program established by a snowmobile manufacturer if:

(1) the snowmobile is operated for testing purposes by a driver employed by the snowmobile manufacturer;

(2) the snowmobile is clearly marked as a test machine;

(3) the snowmobile is operated in compliance with all other applicable laws and rules; and

(4) a permit is obtained from the commissioner that identifies the testing area.

(b) A card containing a photograph of the driver and identifying the driver as a test driver for the manufacturer must be in the driver's possession at all times when the snowmobile is being operated at a speed in excess of the limit established by the commissioner under section 84.86.

Sec. 3. Minnesota Statutes 1990, section 84A.55, is amended by adding a subdivision to read:

Subd. 7a. [SNOWMOBILES ON CERTAIN LANDS.] Unless specifically prohibited by a rule of the commissioner, snowmobiles may

be operated on lands subject to this section that have been identified by the commissioner as wildlife management areas.

Sec. 4. [EFFECTIVE DATE.]

Section 2 is effective the day following final enactment.

Delete the title and insert:

“A bill for an act relating to natural resources; specifying certain provisions applicable to recipients of snowmobile grant funds; exempting snowmobile testing activities from applicable speed limits under certain conditions; allowing the use of snowmobiles on certain conservation lands unless prohibited by rule of the commissioner of natural resources; amending Minnesota Statutes 1990, sections 84.83, by adding a subdivision; 84.87, by adding a subdivision; and 84A.55, by adding a subdivision.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Judiciary.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2324, A bill for an act relating to state lands; authorizing public sale of certain tax-forfeited lands that border public water in Fillmore county.

Reported the same back with the following amendments:

Page 1, after line 23, insert:

“(e) A 33-foot easement must be maintained for public access.

Sec. 2. Minnesota Statutes 1991 Supplement, section 103F.535, subdivision 1, is amended to read:

Subdivision 1. [RESERVATION OF MARGINAL LAND AND WETLANDS.] (a) Notwithstanding any other law, marginal land and wetlands are withdrawn from sale by the state unless; ~~use of the marginal land or wetland is restricted by a conservation easement as provided in this section.~~

~~(b) This section does not apply to transfers of land by the board of water and soil resources to correct errors in legal descriptions under~~

section 103F.515, subdivision 8, or to transfers by the commissioner of natural resources for:

(1) land that is currently in nonagricultural commercial use if a conservation easement would interfere with the commercial use;

(2) land in platted subdivisions;

(3) conveyances of land to correct errors in legal descriptions under section 84.0273;

(4) exchanges of nonagricultural land with the federal government, or exchanges of Class A, Class B, and Class C nonagricultural land with local units of government under sections 94.342, 94.343, 94.344, and 94.349;

(5) land transferred to political subdivisions for public purposes under sections 84.027, subdivision 10, and 94.10; and

(6) land not needed for trail purposes that is sold to adjacent property owners and lease holders under section 85.015, subdivision 1, paragraph (b).

(e) This section does not apply to transfers of land by the commissioner of administration or transportation or by the Minnesota housing finance agency, or to transfers of tax-forfeited land under chapter 282 if:

(1) the land is in platted subdivisions; or

(2) the conveyance is a transfer to correct errors in legal descriptions.

(d) This section does not apply to transfers of land by the commissioner of administration or by the Minnesota housing finance agency for:

(1) land that is currently in nonagricultural commercial use if a conservation easement would interfere with the commercial use; or

(2) land transferred to political subdivisions for public purposes under sections 84.027, subdivision 10, and 94.10.

(1) notice of the existence of the nonforested marginal land or wetlands, in a form prescribed by the board of water and soil resources, is provided to prospective purchasers; and

(2) the deed contains a restrictive covenant, in a form prescribed by the board of water and soil resources, that precludes enrollment

of the land in a state-funded program providing compensation for conservation of marginal land or wetlands.

Sec. 3. [REPEALER.]

Minnesota Statutes 1990, section 103F.535, subdivisions 2, 3, and 4, are repealed."

Renumber sections in sequence

Amend the title as follows:

Page 1, line 4, before the period insert “; providing for withdrawal of wetlands and marginal lands from sale by the state unless notice is provided and the deed contains a restrictive covenant; abolishing certain conservation easement requirements to sell wetlands and marginal lands; amending Minnesota Statutes 1991 Supplement, section 103F.535, subdivision 1; repealing Minnesota Statutes 1990, section 103F.535, subdivisions 2, 3, and 4”

With the recommendation that when so amended the bill pass.

The report was adopted.

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 2342, A bill for an act relating to human services; providing for appointment of a member to the child abuse prevention advisory council by the commissioner of human services; providing for an American Indian child welfare advisory council; amending Minnesota Statutes 1990, section 257.3579; Minnesota Statutes 1991 Supplement, section 299A.23, subdivision 2.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 2375, A bill for an act relating to metropolitan government; providing a name for the transportation accessibility advisory committee; amending Minnesota Statutes 1990, section 473.386, subdivisions 2 and 3.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Vellenga from the Committee on Judiciary to which was referred:

H. F. No. 2402, A bill for an act relating to corporations; making miscellaneous changes in provisions dealing with the organization and operation of nonprofit corporations; amending Minnesota Statutes 1990, sections 317A.011, subdivisions 7 and 14; 317A.111, subdivision 3; 317A.201; 317A.213; 317A.227; 317A.251, subdivision 3; 317A.255, subdivisions 1, 2, and by adding a subdivision; 317A.341, subdivision 2; 317A.431, subdivision 2; 317A.447; 317A.461; 317A.751, subdivision 3; and 317A.827, by adding a subdivision; Minnesota Statutes 1991 Supplement, sections 317A.821, subdivision 2; 317A.823; and 317A.827, subdivision 1.

Reported the same back with the following amendments:

Page 9, line 22, delete "three" and insert "six"

Page 9, lines 23 and 31, delete "with voting rights"

Page 9, line 24, delete "with voting"

Page 9, line 25, delete "rights"

Page 10, delete lines 1 to 22

Page 10, line 30, delete "Copies of all documents"

Page 10, delete lines 31 and 32

Page 10, line 33, delete everything before the first "the"

Page 10, line 35, delete "the copy" and insert "copies of documents under this section"

Page 11, delete line 2

Page 11, line 3, delete "micro-images,"

Page 11, line 12, delete "6" and insert "5"

Page 11, line 16, delete "with voting rights"

Renumber the subdivisions in sequence

Page 12, after line 30, insert:

“Sec. 17. Minnesota Statutes 1990, section 317A.821, subdivision 3, is amended to read:

Subd. 3. [DISSOLUTION; EXTENSION.] If a corporation fails to regain its good standing under subdivision 2 on or before December 31, ~~2000~~ 1997, the corporation is dissolved under section 317A.827. After December 31, ~~2000~~ 1997, the corporate existence of a corporation dissolved under this subdivision may be extended by filing the initial corporate registration with the secretary of state and payment of a \$1,000 fee. The extension relates back to December 31, ~~2000~~ 1997.”

Renumber the sections in sequence

Correct internal references

Amend the title as follows:

Page 1, line 11, after the first semicolon insert “317A.821, subdivision 3;”

With the recommendation that when so amended the bill pass.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2404, A bill for an act relating to governmental operations; setting conditions for certain state laws; regulating payments; fixing local accounting procedures; providing for investments and uses of public facilities; amending Minnesota Statutes 1990, sections 11A.24, subdivision 6; 13.76, by adding a subdivision; 367.36, subdivision 1; 386.015, subdivision 5; 412.222; 471.49, by adding a subdivision; 471.66; 471.696; 471.697; 471.6985; 477A.017, subdivision 2; and 609.415, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 279; 471; and 609; repealing Minnesota Statutes 1991 Supplement, section 128B.10, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1990, section 6.02, is amended to read:

6.02 [DEPUTY, EMPLOYEES.]

The state auditor shall appoint a deputy, who may perform all the duties of the office when the auditor is absent or disabled. The state auditor may employ and at pleasure dismiss two additional deputies and a private secretary.

Sec. 2. Minnesota Statutes 1990, section 13.76, is amended by adding a subdivision to read:

Subd. 3. [BUSINESSES SEEKING STATE INCENTIVES.] Notwithstanding subdivision 1, any business seeking \$250,000 or more in financial assistance from the state of Minnesota in the form of grants, loans, or tax incentives shall make available for public inspection its audited financial statements for the three most recent years. These statements shall include all information that would be required by the United States Securities and Exchange Commission prior to any public stock offering.

Sec. 3. [279.025] [PAYMENT OF DELINQUENT PROPERTY TAXES.]

Payment of delinquent property tax and related interest and penalties shall be paid to the county auditor by check or money order drawn on a bank or other financial institution in the United States.

Sec. 4. Minnesota Statutes 1990, section 367.36, subdivision 1, is amended to read:

Subdivision 1. [INCUMBENT TREASURER; ANNUAL AUDIT.] In a town in which option D is adopted, the incumbent treasurer shall continue in office until the expiration of the term. Thereafter the duties of the treasurer prescribed by law shall be performed by the clerk who shall be referred to as the clerk-treasurer. If the offices of clerk and treasurer are combined, the town board shall provide for an annual audit of the town's financial affairs by the state auditor or a public accountant in accordance with minimum audit procedures prescribed by the state auditor. Upon completion of an audit by a public accountant, the public accountant shall forward a copy of the audit to the state auditor. For purposes of this subdivision, “public accountant” means a certified public accountant, a certified public accounting firm, or a licensed public accountant, all licensed by the board of accountancy under sections 326.17 to 326.23.

Sec. 5. Minnesota Statutes 1990, section 386.015, subdivision 5, is amended to read:



Subd. 5. The county recorder shall charge and collect all fees as prescribed by law and all such fees collected as county recorder shall be paid to the county in the manner and at the time prescribed by the county board, but not less often than once each month. This subdivision shall apply to the fees collected by the county recorder in performing the duties of the registrar of titles and all such fees shall be paid to the county as herein provided except that money paid to the registrar of titles for the state general fund as provided in section 508.74, shall be paid to the county as provided in section 508.75. A county recorder may retain as personal compensation any fees the recorder is permitted to charge by law for services rendered in a private capacity as a registered abstractor as defined in section 386.61, subdivision 2, clause (2). A county recorder, acting in a private capacity as a registered abstractor, may not use county resources for the provision of professional abstracting services, nor may a county recorder, acting in a private capacity as a registered abstractor, store business files, or other supplies or materials related to the provision of professional abstracting services, in county owned or leased buildings.

Sec. 6. Minnesota Statutes 1990, section 412.222, is amended to read:

412.222 [PUBLIC ACCOUNTANTS IN STATUTORY CITIES.]

The council of any city may employ public accountants on a monthly or yearly basis for the purpose of auditing, examining, and reporting upon the books and records of account of such city. For the purpose of this section ~~public accountants are defined as any individuals who for a period of five years prior to the date of such employment have been actively engaged exclusively in the practice of public accounting,~~ “public accountant” means a certified public accountant, a certified public accounting firm, or a licensed public accountant, all licensed by the board of accountancy under sections 326.17 to 326.23. All expenditures for these purposes shall be within the statutory limits upon tax levies in such cities.

Sec. 7. Minnesota Statutes 1990, section 471.49, is amended by adding a subdivision to read:

Subd. 10. [PUBLIC ACCOUNTANT.] “Public accountant” means a certified public accountant, a certified public accounting firm, or a licensed public accountant, all licensed by the board of accountancy under sections 326.17 to 326.23.

Sec. 8. Minnesota Statutes 1990, section 471.696, is amended to read:

471.696 [FISCAL YEAR; DESIGNATION.]

Beginning in 1979, the fiscal year of a city and all of its funds shall be the calendar year, except that a city may, by resolution, provide that the fiscal year for city-owned nursing homes be the reporting year designated by the commissioner of human services. Beginning in 1994, the fiscal year of a town and all of its funds shall be the calendar year. The state auditor may upon request of a city town and a showing of inability to conform, extend the deadline for compliance with this section for one year, except that a city may, by resolution, provide that the fiscal year for city owned nursing homes be the reporting year designated by the commissioner of human services.

Sec. 9. Minnesota Statutes 1990, section 471.697, is amended to read:

471.697 [FINANCIAL REPORTING; AUDITS; CITIES AND TOWNS OF MORE THAN 2,500 POPULATION.]

Subdivision 1. In any city with a population of more than 2,500 or town with a population of 2,500 with annual revenue of \$500,000 or more according to the latest federal census, the city clerk or, chief financial officer, town clerk, or town clerk-treasurer shall:

(a) Prepare a financial report covering the city's or town's operations including operations of municipal hospitals and nursing homes, liquor stores, and public utility commissions during the preceding fiscal year after the close of the fiscal year and. Cities shall publish the report or a summary of the report, in a form as prescribed by the state auditor, in a qualified newspaper of general circulation in the city or, if there is none, post copies in three of the most public places in the city, no later than 30 days after the report is due in the office of the state auditor. The report shall contain financial statements and disclosures which present the city's or town's financial position and the results of city or town operations in conformity with generally accepted accounting principles. The report shall include such information and be in such form as may be prescribed by the state auditor;

(b) File the financial report in the clerk's or financial officer's office for public inspection and present it to the city council or town board after the close of the fiscal year. One copy of the financial report shall be furnished to the state auditor after the close of the fiscal year; and

(c) Submit to the state auditor audited financial statements which have been attested to by a certified public accountant, public accountant, or the state auditor within 180 days after the close of the fiscal year, except that the state auditor may upon request of a city or town and a showing of inability to conform, extend the deadline. The state auditor may accept this report in lieu of the report required in clause (b) above.

A municipal hospital or nursing home established before June 6, 1979 whose fiscal year is not a calendar year on August 1, 1980 is not subject to this subdivision but shall submit to the state auditor a detailed statement of its financial affairs audited by a certified public accountant, a public accountant or the state auditor no later than 120 days after the close of its fiscal year. It may also submit a summary financial report for the calendar year.

Subd. 2. The state auditor shall continue to audit cities of the first class pursuant to section 6.49.

Sec. 10. Minnesota Statutes 1990, section 471.6985, is amended to read:

**471.6985 [FINANCIAL STATEMENT PUBLICATION REPORTING; AUDITS; MUNICIPAL LIQUOR STORE.]**

**Subdivision 1.** Any city operating a municipal liquor store shall publish a balance sheet using generally accepted accounting procedures and a statement of operations of the liquor store within 90 days after the close of the fiscal year in the official newspaper of the city. The statement shall be headlined, in a type size no smaller than 18-point: "Analysis of .....(city)..... municipal liquor store operations for .....(year)...." and shall be written in clear and easily understandable language. It shall contain the following information: total sales, cost of sales, gross profit, profit as percent of sales, operating expenses, operating income, contributions to and from other funds, capital outlay, interest paid and debt retired. The form and style of the statement shall be prescribed by the state auditor. Nonoperating expenses may not be extracted on the reporting form prior to determination of net profits for reporting purposes only. Administrative expenses charged to the liquor store by the city must be actual operating expenses and not used for any other public purpose prior to the determination of net profits. The publication requirements of this section shall be in addition to any publication or posting requirements for financial reports contained in sections 471.697 and 471.698. The statement may at the option of the city council be incorporated into the reports published pursuant to sections 471.697 and 471.698, in accordance with a form and style prescribed by the state auditor.

**Subd. 2.** Any city operating a municipal liquor store shall submit to the state auditor audited financial statements for the liquor store that have been attested to by a certified public accountant, public accountant, or the state auditor within 180 days after the close of the fiscal year, except that the state auditor may extend the deadline upon request of a city and a showing of inability to conform. The state auditor may accept this report in lieu of the report required by subdivision 1.

Sec. 11. Minnesota Statutes 1990, section 477A.017, subdivision 2, is amended to read:

Subd. 2. [STATE AUDITOR'S DUTIES.] The state auditor shall prescribe uniform financial accounting and reporting standards in conformity with national standards to be applicable to cities and towns of more than 2,500 population and uniform reporting standards to be applicable to cities of less than 2,500 population.

Sec. 12. Minnesota Statutes 1990, section 609.415, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] As used in sections 609.415 to 609.465, and 609.515,

(1) "Public officer" means:

(a) an executive or administrative officer of the state or of a county, municipality or other subdivision or agency of the state;

(b) a member of the legislature or of a governing board of a county, municipality, or other subdivision of the state, or other governmental instrumentality within the state;

(c) a judicial officer;

(d) a hearing officer;

(e) a law enforcement officer; or

(f) any other person exercising the functions of a public officer.

(2) "Public employee" means a person employed by or acting for the state or a county, municipality, or other subdivision or governmental instrumentality of the state for the purpose of exercising their respective powers and performing their respective duties, and who is not a public officer.

(3) "Judicial officer" means a judge, court commissioner, referee, or any other person appointed by a judge or court to hear or determine a cause or controversy.

(4) "Hearing officer" means any person authorized by law or private agreement to hear or determine a cause or controversy who is not a judicial officer.

(5) "Political subdivision" means a county, town, statutory or home rule charter city, school district, special service district, or other municipal corporation of the state of Minnesota.

Sec. 13. [609.456] [REPORTING TO STATE AUDITOR REQUIRED.]

Whenever a public employee or public officer of a political subdivision discovers evidence of theft, embezzlement, or unlawful use of public funds or property, the employee or elected official shall promptly report in writing to the state auditor a detailed description of the alleged incident or incidents.

Sec. 14. [NEWSPAPER; QUALIFICATION.]

A newspaper otherwise in compliance with Minnesota Statutes, section 331A.02, subdivision 1, between September 1, 1991, and December 31, 1991, shall not be deemed to have lost its qualified status because any issue published between September 1, 1991, and December 31, 1991, failed to include the minimum number of column-inches required by Minnesota Statutes, section 331A.02, subdivision 1.

Sec. 15. [REPEALER.]

Minnesota Statutes 1991 Supplement, section 128B.10, subdivision 2, is repealed.

Sec. 16. [EFFECTIVE DATE.]

Section 14 is effective the day following enactment.

Section 15 is effective June 30, 1992."

Delete the title and insert:

"A bill for an act relating to governmental operations; providing for state auditor staff; providing for certain audits, reports, and payments; amending Minnesota Statutes 1990, sections 6.02; 13.76, by adding a subdivision; 367.36, subdivision 1; 386.015, subdivision 5; 412.222; 471.49, by adding a subdivision; 471.696; 471.697; 471.6985; 477A.017, subdivision 2; and 609.415, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 279; and 609; repealing Minnesota Statutes 1991 Supplement, section 128B.10, subdivision 2."

With the recommendation that when so amended the bill pass.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2417, A bill for an act relating to telecommunications; allowing STARS system services to be resold or subleased to certain nonprofit organizations; amending Minnesota Statutes 1990, section 16B.465, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [STUDY.]

The commissioner of administration shall study and identify the issues associated with providing nonprofit and not-for-profit organizations access to the Statewide Telecommunications Access and Routing System (STARS).

The study shall assess the need for and the public policy issues associated with the expansion of STARS authority to serve certain nonprofit and not-for-profit organizations including but not limited to health care, social service, and educational organizations.

The study should identify issues of private to public information transactions and the barriers placed on both the public sector and private sector if STARS is unable to provide the necessary services.

The study will take into consideration opinions and interests of the organizations and industries affected by a change in the statutes to allow STARS to provide telecommunications services to certain nonpublic sector entities.

The study and recommendations shall be submitted to the appropriate committees of the legislature by January 15, 1993.

Sec. 2. [APPROPRIATION.]

\$25,000 is appropriated from the general fund to the commissioner of administration for purposes of section 1.”

Delete the title and insert:

“A bill for an act relating to telecommunications; requiring commissioner of administration to study issues related to the statewide telecommunications access and routing system and submit a report to the legislature; appropriating money.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2423, A bill for an act relating to state government; creating a state board of pension investment; prescribing its powers and duties; transferring authority from the state board of investment; appropriating money; amending Minnesota Statutes 1990, sections 10A.01, subdivision 18; 11A.01; 11A.02, subdivisions 2 and 4; 11A.04; 11A.08, subdivisions 1 and 2; 11A.09; 11A.13, subdivision 1; 11A.14, subdivisions 5 and 13; 79.251, subdivision 7; 352.05; 353.05; 356.218, subdivision 1; 356A.01, subdivision 23; 356A.02, subdivision 1; 356A.11, subdivision 1; 422A.06, subdivision 8; and 490.123, subdivision 2; proposing coding for new law as Minnesota Statutes, chapter 11B; repealing Minnesota Statutes 1990, section 11A.14, subdivisions 6, 7, and 8.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1990, section 10A.01, subdivision 18, is amended to read:

Subd. 18. “Public official” means any:

- (a) member of the legislature;
- (b) constitutional officer in the executive branch and the officer’s chief administrative deputy;
- (c) member, chief administrative officer or deputy chief administrative officer of a state board or commission which has at least one of the following powers: (i) the power to adopt, amend or repeal rules, or (ii) the power to adjudicate contested cases or appeals;
- (d) commissioner, deputy commissioner, or assistant commissioner of any state department as designated pursuant to section 15.01;
- (e) individual employed in the executive branch who is authorized to adopt, amend or repeal rules or adjudicate contested cases;
- (f) executive director of the state board of investment;

- (g) executive director of the Indian affairs intertribal board;
- (h) commissioner of the iron range resources and rehabilitation board;
- (i) commissioner of mediation services;
- (j) deputy of any official listed in clauses (e) to (i);
- (k) judge of the workers' compensation court of appeals;
- (l) administrative law judge or compensation judge in the state office of administrative hearings or referee in the department of jobs and training;
- (m) solicitor general or deputy, assistant or special assistant attorney general;
- (n) individual employed by the legislature as secretary of the senate, legislative auditor, chief clerk of the house, revisor of statutes, or researcher, legislative analyst, or attorney in the office of senate counsel and research or house research;
- (o) member or chief administrative officer of the metropolitan council, regional transit board, metropolitan transit commission, metropolitan waste control commission, metropolitan parks and open spaces commission, metropolitan airports commission or metropolitan sports facilities commission;
- (p) the commissioner of gaming and director of each division in the department of gaming and the deputy director of the division of state lottery;
- (q) director of the division of gambling enforcement in the department of public safety;
- (r) member or executive director of the higher education facilities authority; or
- (s) member of the board of directors or president of the Minnesota world trade center corporation; or
- (t) member of the state board of pension investment.

Sec. 2. Minnesota Statutes 1990, section 11A.01, is amended to read:

11A.01 [STATEMENT OF PURPOSE.]



The purpose of this chapter is to establish standards, ~~in addition to the applicable standards of chapter 356A,~~ to ensure that state ~~and pension~~ assets subject to this legislation will be responsibly invested to maximize the total rate of return without incurring undue risk.

Sec. 3. Minnesota Statutes 1990, section 11A.02, subdivision 2, is amended to read:

Subd. 2. [STATE BOARD.] "State board" means the Minnesota state board of investment created by article XI, section 8 of the Constitution of the state of Minnesota for the purpose of administering and directing the investment of all state funds ~~and pension funds.~~

Sec. 4. Minnesota Statutes 1990, section 11A.02, subdivision 4, is amended to read:

Subd. 4. [FUND.] "Fund" means any of the individual funds, including but not limited to the permanent school fund, general fund of the state, ~~retirement funds~~ and other funds and accounts for which the state board has responsibilities.

Sec. 5. Minnesota Statutes 1990, section 11A.04, is amended to read:

#### 11A.04 [DUTIES AND POWERS.]

The state board shall:

(1) Act as trustees for each fund for which it invests or manages money in accordance with the standard of care set forth in section 11A.09 ~~if state assets are involved and in accordance with chapter 356A if pension assets are involved.~~

(2) Formulate policies and procedures deemed necessary and appropriate to carry out its functions. Procedures adopted by the board must allow fund beneficiaries and members of the public to become informed of proposed board actions. Procedures and policies of the board are not subject to the administrative procedure act.

(3) Employ an executive director as provided in section 11A.07.

(4) Employ investment advisors and consultants as it deems necessary.

(5) Prescribe policies concerning personal investments of all employees of the board to prevent conflicts of interest.

(6) Maintain a record of its proceedings.

(7) As it deems necessary, establish advisory committees subject to section 15.059 to assist the board in carrying out its duties.

(8) Not permit state funds to be used for the underwriting or direct purchase of municipal securities from the issuer or the issuer's agent.

(9) Direct the state treasurer to sell property other than money that has escheated to the state when the board determines that sale of the property is in the best interest of the state. Escheated property must be sold to the highest bidder in the manner and upon terms and conditions prescribed by the board.

(10) Undertake any other activities necessary to implement the duties and powers set forth in this section.

~~(11) Establish a formula or formulas to measure management performance and return on investment. Public pension funds in the state shall utilize the formula or formulas developed by the state board.~~

~~(12)~~ Except as otherwise provided in article XI, section 8, of the constitution of the state of Minnesota, employ, at its discretion, qualified private firms to invest and manage the assets of funds over which the state board has investment management responsibility. There is annually appropriated to the state board, from the assets of the funds for which the state board utilizes a private investment manager, sums sufficient to pay the costs of employing private firms. Each year, by January 15, the board shall report to the governor and legislature on the cost and the investment performance of each investment manager employed by the board.

~~(13)~~ (12) Adopt an investment policy statement that includes investment objectives, asset allocation, and the investment management structure for the retirement fund assets under its control. The statement may be revised at the discretion of the state board. The state board shall seek the advice of the council regarding its investment policy statement. Adoption of the statement is not subject to chapter 14.

Sec. 6. Minnesota Statutes 1990, section 11A.07, subdivision 5, is amended to read:

Subd. 5. [APPORTIONMENT OF EXPENSES.] The executive director shall apportion the actual expenses incurred by the board on an accrual basis among the several funds whose assets are invested by the board under this chapter and by the state board of pension investment under chapter 11B based on the weighted average assets under management during each quarter. The charge to each fund must be calculated, billed, and paid on a quarterly basis

in accordance with procedures for interdepartmental payments established by the commissioner of finance. The amounts necessary to pay these charges are appropriated from the investment earnings of each fund. Receipts must be credited to the general fund as nondedicated receipts.

Sec. 7. Minnesota Statutes 1990, section 11A.08, subdivision 1, is amended to read:

Subdivision 1. [MEMBERSHIP.] There is created an investment advisory council consisting of ~~17~~ 14 members. Ten of these members shall be experienced in general investment matters. They shall be appointed by the state board. The other ~~seven~~ members ~~shall be~~ are: the commissioner of finance; the executive director of the Minnesota state retirement system; the executive director of the public employees retirement association; and the executive director of the teachers retirement association; a retiree ~~currently receiving benefits from the postretirement investment fund~~; and two public employees who are active members of funds whose assets are invested by the state board. The retiree and the public employees shall be appointed by the governor for four-year terms.

Sec. 8. Minnesota Statutes 1990, section 11A.08, subdivision 2, is amended to read:

Subd. 2. [DUTIES AND POWERS.] The council shall:

(1) advise the state board, the state board of investment, and the director of the state board of investment on general policy matters relating to investments;

(2) advise the state board, the state board of investment, and the director on methods to improve the rate of return on invested money while insuring adequate security for that money;

(3) advise the state board, the state board of investment, and the director on the form and content of the ~~report~~ reports required by section 11A.07, subdivision 4, clause (7), and section 14, subdivision 7, so that the ~~report~~ reports clearly and objectively ~~discloses~~ disclose the investment activities of the state board, the state board of investment, and the director;

(4) perform other tasks of an advisory nature as requested by the state board or the state board of investment.

Sec. 9. Minnesota Statutes 1990, section 11A.09, is amended to read:

11A.09 [STANDARD OF CARE.]

In the discharge of their respective duties, the members of the state board, director, board staff, and members of the council and any other person charged with the responsibility of investing money pursuant to the standards set forth in sections 11A.01 to 11A.25 shall act in good faith and shall exercise that degree of judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived therefrom. ~~In addition, for the investment of pension fund assets, the members and director of the state board and members of the investment advisory council shall act in accordance with chapter 356A.~~

Sec. 10. Minnesota Statutes 1990, section 11A.13, subdivision 1, is amended to read:

Subdivision 1. [LEGAL TITLE TO FUND ASSETS.] Legal title to the assets of state funds to be invested by the state board must be in the state of Minnesota, or its nominees. ~~Legal title to pension funds to be invested by the state board must be as specified in section 356A.06.~~

Sec. 11. Minnesota Statutes 1990, section 11A.14, subdivision 3, is amended to read:

Subd. 3. [MANAGEMENT.] The combined investment funds shall be managed by the state board. The state board may invest any funds under its management in the combined investment funds under chapter 11A or 11B.

Sec. 12. [11B.01] [DEFINITIONS.]

Subdivision 1. [TERMS.] For purposes of this chapter, the terms defined in this section have the meanings given them, unless the context clearly indicates otherwise.

Subd. 2. [STATE BOARD.] "State board" means the state board of pension investment.

Subd. 3. [FUND.] "Fund" means any of the individual retirement funds for which the state board has responsibilities.

Sec. 13. [11B.02] [STATE BOARD; MEMBERSHIP; TERMS; COMPENSATION.]

Subdivision 1. [MEMBERSHIP.] The state board is composed of:

(1) the governor, attorney general, state auditor, state treasurer, and secretary of state;

(2) one active member of a fund administered by each of the following groups, elected by the active members of the funds administered by the group: the Minnesota state retirement system, the teachers retirement association, and the public employees retirement association;

(3) one person elected at-large from among retired members of all pension funds whose assets are invested by the state board; and

(4) one person elected at-large from among active members of all pension funds whose assets are invested by the state board, elected by active members of these funds.

The active members elected under clause (2) also serve on their respective retirement fund boards.

An active legislator or judge may not serve on the board. A member of a local relief association that has consolidated with the public employees retirement association shall be considered a member of the public employees retirement association for purposes of this section if the member has chosen benefit coverage under the public employees retirement association police and fire fund.

Subd. 2. [TERMS.] Constitutional officers serve ex officio as voting members. The terms of other members are four years, ending on June 30 of even-numbered years. The term of a person who is elected as an active member ends when the person is no longer an active member. In the event of a vacancy in a position held by an active or retired member of a pension fund, the position shall remain vacant until the state board of pension investment appoints a new member from the respective pension fund to complete the balance of the term.

Subd. 3. [ELECTIONS.] (a) The governing boards of the Minnesota state retirement system, the teachers retirement association, and the public employees retirement association shall conduct elections to select the active member from each fund who will serve on the state board. These boards shall jointly conduct elections to select retired and active at-large members. The secretary of state shall supervise these elections. A person is eligible to vote for and serve as the retired member on the state board if the person is a retired member of a pension fund whose assets are invested by the state board.

(b) For seven days, beginning October 1 of each year preceding a year in which an election under this subdivision is held, the boards must accept filings. Filings must be made at the offices of one of the boards, by mail or in person. At the time of filing, a candidate shall submit a nominating petition signed by 25 or more persons eligible to vote for the position the candidate seeks. A candidate may not withdraw from nomination after October 15.

(c) At the request of a candidate, the board or boards conducting the election under this subdivision shall mail a statement of up to 300 words prepared by the candidate to all persons eligible to vote in the election of the candidate. The boards may adopt policies to govern form and length of these statements, timing of mailings, and deadlines for submitting materials to be mailed. These policies must be approved by the secretary of state. The secretary of state shall resolve disputes between a board and a candidate regarding application of these policies to a particular statement.

(d) By January 31 of each year in which elections are to be held under this subdivision, the board or boards shall distribute ballots listing the candidates by mail to eligible voters. No special marking may be used on the ballot to indicate incumbents. The ballot envelopes must be designed and the ballots counted in a manner that ensures that each vote is secret. The last day for mailing ballots to the board is the last day of February.

(e) This paragraph applies to a candidate for election under this subdivision who: (1) receives contributions or makes expenditures in excess of \$100; or (2) has given implicit or explicit consent for any other person to receive contributions or make expenditures in excess of \$100 for the purpose of bringing about the candidate's election. A candidate subject to this paragraph shall file a report with the ethical practices board disclosing the source and amount of all contributions to the candidate's campaign. The report must be filed within 30 days after the result of the election is announced. The ethical practices board shall prescribe forms governing these disclosures. Expenditures and contributions have the meanings defined in section 10A.01. These terms do not include the mailing made under paragraph (c) on behalf of a candidate. The ethical practices board shall maintain reports and make them available for public inspection in the same manner as the board maintains and makes available other reports filed with it.

Subd. 4. [OFFICERS.] The governor is the chair of the board. The board may elect other officers.

Subd. 5. [COMPENSATION.] Section 15.059, subdivision 3, applies to service on the board, except that members do not receive the daily compensation.

Subd. 6. [MEETINGS.] A quorum consists of at least three constitutional officers and at least three other members of the board. The board shall meet at the call of the chair. The chair shall call a meeting at least quarterly, and must call a meeting within 14 days of receiving a written request from at least half of the board members.

Subdivision 1. [INVESTMENT STANDARDS.] The state board shall invest funds under its control in investments authorized by section 11A.24, subject to the standards of section 11A.241. The board shall act as trustees for each fund for which it invests or manages money, in accordance with the standard of care in section 16.

Subd. 2. [INVESTMENT POLICY STATEMENT.] The state board shall adopt an investment policy statement that includes investment objectives, asset allocation, and the investment management structure for the retirement funds assets under its control. The statement may be revised at the discretion of the board. In adopting the statement, the board shall seek the advice of the investment advisory council. Adoption of the statement is not subject to chapter 14.

Subd. 3. [INVESTMENT PERFORMANCE MEASUREMENT.] The state board shall establish a formula or formulas to measure management performance and return on investment. All public pension funds in the state shall use the formula or formulas developed by the board.

Subd. 4. [STAFF; INVESTMENT ADVISORS.] The state board shall enter into an agreement with the state board of investment to use the services of the executive director and staff of that board. The state board may employ qualified private firms to invest and manage the assets of funds over which the board has investment management responsibility. There is annually appropriated to the state board, from the assets of the funds for which the state board uses a private investment manager, sums sufficient to pay the costs of employing private firms. By January 15 of each year, the board shall report to the governor and the legislature on the cost and the investment performance of each investment manager employed by the board.

Subd. 5. [POLICIES AND PROCEDURES.] The state board shall formulate policies and procedures necessary to carry out its functions. Procedures adopted by the board must allow fund beneficiaries and members of the public to become informed of proposed board actions. The board must adopt a policy relating to the purchase and sale of securities on the basis of competitive offerings or bids. Procedures and policies of the board are not subject to the administrative procedure act.

Subd. 6. [PURCHASE OF MUNICIPAL SECURITIES.] The state board shall not permit pension funds to be used for the underwriting of direct purchase of municipal securities from the issuer or the issuer's agent.

Subd. 7. [REPORT.] The state board shall report to the legislature by December 31 each year on the activities of the board during the

preceding fiscal year. The report must provide a clear, comprehensive summary of the portfolio composition, the transactions, the total annual rate of return and the yield, and the recipients of business placed or commissions allocated among the various commercial banks, investment brokers, and brokerage organizations. The report must contain audited financial statements for funds managed by the board, prepared in accordance with generally accepted accounting principles.

Subd. 8. [OTHER POWERS AND DUTIES.] (a) The board must:

(1) consistent with chapter 356A, keep securities in the custody of the state treasurer, or with other depositories; and

(2) maintain a record of its proceedings and of securities transactions and official activities.

(b) The board may:

(1) establish advisory task forces, subject to section 15.014, to assist the board in carrying out its duties;

(2) require state officials from any department or agency to produce and provide access to any financial documents necessary to the board in the conduct of its investment activities;

(3) receive and expend legislative appropriations; and

(4) undertake any other activities necessary to implement the powers and duties set forth in this section, consistent with chapter 356A.

**Sec. 15. [11B.04] [INVESTMENT AND MANAGEMENT EXPENSES.]**

Subdivision 1. [APPORTIONMENT OF EXPENSES.] All expenses incurred by the board that are not paid for by direct legislative appropriations must be apportioned by the executive director of the state board of investment, as provided in section 11A.07, subdivision 5.

Subd. 2. [SUPPORT SERVICES.] The state board of investment shall provide the state board with office space and administrative services. Staff of the state board of investment shall cooperate with the state board.

**Sec. 16. [11B.05] [STANDARD OF CARE.]**

In the discharge of their respective duties, the members of the state board and any other person charged with the responsibility of



investing money under the standards set forth in this chapter shall act in good faith and shall exercise that degree of judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived therefrom. Board members and others charged with the responsibility of investing money under the standards set forth in this chapter must also act in accordance with chapter 356A.

Sec. 17. [11B.06] [INVESTMENT AND EXPENSE APPROPRIATION.]

There is appropriated to the state board annually, and from time to time, the various money available for investment in the various funds subject to the state board's supervision and control, for the purposes of the purchase, sale, exchange, and lending of securities, reinvestment activities, payment of the execution expenses of securities transactions, amortization of premiums or accumulation of discounts, and contribution and redemption of participation in the funds.

Sec. 18. [11B.07] [GAINS AND LOSSES; DISPOSITION.]

All interest and profit accruing from and all losses incurred by investment activity must be credited to or borne by the fund from which the investment was made.

Sec. 19. [11B.08] [ASSETS AND DOCUMENTATION.]

Subdivision 1. [LEGAL TITLE TO FUND ASSETS.] Legal title to pension funds to be invested by the state board must be as specified in section 356A.06.

Subd. 2. [RIGHTS OF EMPLOYEES; VALIDITY OF DOCUMENTATION.] The rights of any public employee to any assets in the retirement funds are as fixed by the law or laws authorizing or requiring a retirement fund to purchase or order the redemption of investment participations or units on behalf of the public employee. The state board may rely on the documents, forms, and applications of the retirement funds which accompany money for investment or orders to redeem assets as being made in concert with the law and with the rights of public employees. The state board need not inquire into the legality or validity of any documents, forms, and applications.

Sec. 20. [11B.09] [AUDIT.]

The board is subject to audit by the legislative auditor.

## Sec. 21. [11B.10] [COMBINED INVESTMENT FUNDS.]

Subdivision 1. [ESTABLISHMENT.] The Minnesota combined investment funds are established for the purpose of providing investment vehicles for assets of the participating funds. The combined funds shall consist of the following investment accounts: cash management accounts, equity accounts, fixed income accounts, and any other accounts determined appropriate by the state board.

Subd. 2. [ASSETS.] The assets of the combined investment funds shall consist of the money certified to and received by the state board from participating retirement plans and funds which shall be used to purchase investment shares in the appropriate investment accounts. Each participating fund shall own an undivided participation in all the assets of the combined funds. As of any date, the total claim of a participating fund on the assets in each account shall be equal to the ratio of units owned by a fund in each account to the total issued units then outstanding.

Subd. 3. [MANAGEMENT.] The combined investment funds shall be managed by the state board. The state board may invest funds under its management in the combined investment funds.

Subd. 4. [INVESTMENTS.] The assets of the combined investment funds shall be invested by the state board subject to the provisions of section 11A.24, except that any individual account may be completely invested in a single asset class.

Subd. 5. [INITIAL TRANSFER OF ASSETS.] The participating funds shall transfer to the combined investment funds all appropriate securities then held together with cash necessary for the purchase of units in the combined fund accounts.

Subd. 6. [INITIAL VALUATION OF ASSETS AND UNITS.] All assets transferred to the Minnesota combined investment funds shall be valued at their current market value as determined by the state board, including accrued interest. The initial value of each account unit shall be \$1,000 with each participating fund allocated units in the various accounts of the Minnesota combined investment funds in the same proportion as their assets are to the total assets in each account.

Subd. 7. [REALIZED APPRECIATION (DEPRECIATION).] Any realized gains or losses in the value of investments incurred by a transferring fund pursuant to subdivision 6 shall be recognized on the date of the transfer.

Subd. 8. [VALUATION OF UNITS.] (a) Valuation of units for the accounts in the Minnesota combined investment funds shall be performed as of the last business day of each month, or more

frequently should the state board determine that additional valuation dates are necessary.

(b) The value of a unit for each account shall be determined by the following procedure:

(1) as of the close of business on the valuation date the state board shall determine the fair market value of each asset in each account, using the references, pricing services, consultants, or other methods as the state board deems appropriate; and

(2) the sum total of the market value of all securities plus cash, less the value of undistributed income in each account, shall be divided by the number of units issued and outstanding for the account to determine the value per account unit.

Subd. 9. [PURCHASE AND REDEMPTION OF UNITS.] Purchase and redemption of units shall be on the first business day following the valuation date. All transactions shall be at the unit value established on the immediately preceding valuation date. Except for the initial purchase of units by an authorized participant, all purchases and redemptions shall be made in cash unless the state board determines that an exception is necessary.

Subd. 10. [EARNINGS DEFINED.] Investment earnings shall be the sum total of the following of each account:

(1) dividends receivable on securities trading ex-dividend to and including the valuation date;

(2) cash dividends received to and including the valuation date that were not accounted for on a previous valuation date;

(3) accrued interest to and including the valuation date;

(4) interest received which had not been accrued and accounted for on a prior valuation date;

(5) income from the sale of options, rights, warrants, or security lending; and

(6) other income received to and including the valuation date.

Subd. 11. [DISTRIBUTION OF EARNINGS.] At least once each year the state board shall distribute to each participant net earnings determined proportionately in accordance with their average unit holdings in each account during the period. Unless otherwise directed by the participating fund, any distributions shall be used to purchase additional units in the accounts.

Subd. 12. [RECORDS REQUIRED.] The state board shall keep accounting records. The records shall reflect the number of units in the Minnesota combined investment funds owned by each participating fund. No certificates or other evidence of ownership shall be required.

Subd. 13. [REPORTS REQUIRED.] As of each valuation date, or as often as the state board determines, each participant shall be informed of the number of units owned and the current value of the units. Annually, the state board shall provide each participant financial statements prepared in accordance with generally accepted accounting principles.

Sec. 22. Minnesota Statutes 1990, section 79.251, subdivision 7, is amended to read:

Subd. 7. [INVESTMENT OF ASSETS.] The commissioner shall certify and transfer to the state board of investment all assigned risk plan assets which in the commissioner's judgment are not required for immediate use. The state board of investment shall invest the certified assets, ~~and may invest the assets~~ consistent with the provisions of section ~~11A.14~~ 11A.24. All investment income and losses attributable to the investment of assigned risk plan assets must be credited to the assigned risk plan. When the commissioner certifies to the state board that invested assets are required for immediate use, the state board shall sell assets to provide the amount of assets the commissioner certifies. The board shall transfer the sale proceeds to the commissioner.

Sec. 23. Minnesota Statutes 1990, section 352.05, is amended to read:

352.05 [STATE TREASURER TO BE TREASURER OF SYSTEM.]

The state treasurer is ex officio treasurer of the retirement funds of the system. The general bond to the state shall cover all liability for actions as treasurer of these funds. Funds of the system received by the treasurer must be set aside in the state treasury to the credit of the proper fund. The treasurer shall deliver to the director copies of all payroll abstracts of the state together with the commissioner of finance's warrants covering the deductions made on these payroll abstracts for the retirement fund. The director shall have a list made of the commissioner of finance's warrants. These warrants must then be deposited with the state treasurer to be credited to the retirement fund. The treasurer shall pay out of this fund only on warrants issued by the commissioner of finance, upon abstracts signed by the director, or by the finance officer designated by the director during the disability or the absence of the director from the city of St. Paul, Minnesota. Abstracts for investments may be signed by ~~the execu-~~

~~tive director of an official designated by the state board of pension investment.~~

Sec. 24. Minnesota Statutes 1990, section 353.05, is amended to read:

353.05 [CUSTODIAN OF FUNDS.]

The state treasurer shall be ex officio treasurer of the retirement funds of the association and the treasurer's general bond to the state shall be so conditioned as to cover all liability for acts as treasurer of these funds. All moneys of the association received by the treasurer shall be set aside in the state treasury to the credit of the proper fund. The treasurer shall transmit monthly to the executive director a detailed statement of all amounts so received and credited to the fund. Payments out the fund shall be made only on warrants issued by the commissioner of finance, upon abstracts signed by the executive director; provided that abstracts for investment may be signed by ~~the secretary of an official designated by the state board of pension investment.~~

Sec. 25. Minnesota Statutes 1990, section 354.06, subdivision 1, is amended to read:

Subdivision 1. The management of the fund is vested in a board of ~~eight~~ nine trustees known as the board of trustees of the teachers retirement fund. It is composed of the following persons: the commissioner of education, the commissioner of finance, the commissioner of commerce, ~~four~~ five members of the fund elected by the members of the fund, and one retiree elected by the retirees of the fund. ~~The five six~~ five ~~elect~~ selected members of the board of trustees must be chosen by mail ballot in a manner fixed by the board of trustees of the fund. ~~In every odd-numbered year there shall be elected two members of the fund to the board of trustees for terms of four years commencing on the first of July next succeeding their election. In every odd-numbered year~~ The two active members whose terms began July 1, 1989, serve five-year terms ending June 30, 1994. Beginning in 1994 and every fourth year thereafter three members of the fund shall be elected to the board of trustees for terms of four years beginning on the first of July next succeeding their election. One of these three members must be elected to serve on the state board of pension investment. The two active members whose terms began July 1, 1991, serve five-year terms ending June 30, 1996. Beginning in 1996 and every fourth year thereafter two members of the fund shall be elected to the board of trustees for terms of four years commencing on the first of July next succeeding their election. The retiree of the fund whose term began July 1, 1991, serves a three-year term ending June 30, 1994. Beginning in 1994 and every even-numbered year thereafter one retiree of the fund must be elected to the board of trustees for a term of two years commencing on the first of July next succeeding the election. The filing of

candidacy for a retiree election must include a petition of endorsement signed by at least ten retirees of the fund. Each election must be completed by June first of each succeeding ~~odd-numbered~~ even-numbered year. In the case of elective members, except for a member elected to serve on the state board of pension investment, any vacancy must be filled by appointment by the remainder of the board, and the appointee shall serve until the members or retirees of the fund at the next regular election have elected a trustee to serve for the unexpired term caused by the vacancy. No member or retiree may be appointed by the board, or elected by the members of the fund as a trustee, if the person is not a member or retiree of the fund in good standing at the time of the appointment or election.

Sec. 26. Minnesota Statutes 1990, section 356.218, subdivision 1, is amended to read:

Subdivision 1. [REPORT REQUIRED.] (a) Unless paragraph (c) applies, the chief administrative officer of a public pension plan with an associated pension fund or investment fund specified in subdivision 2 shall annually prepare and file an investment performance report meeting the contents requirements of subdivision 3. The report must be filed with or distributed as specified in paragraph (b) by April 1 each year and must cover the previous calendar year. The report must be prepared under the supervision or at the direction of the chief administrative officer and must be signed by that officer. The investment performance report is a public record.

(b) A copy of the report or a synopsis of the report must be distributed to each member of the pension plan and must be filed with the chief administrative officer of each employing unit making employer contributions to the pension plan. A copy of the report also must be filed with the executive director of the legislative commission on pensions and retirement.

(c) This section does not apply to the state board of investment or to the state board of pension investment. This section also does not apply to a public pension plan if all assets of the pension fund or investment fund attributable to the public pension plan are invested by the state board of pension investment under chapters ~~11A~~ 11B and 356A and if the ~~executive director of the state board of pension investment~~ makes public in an annual report or in other documents the fiscal year investment performance results of the pension fund or investment fund attributable to the pension plan that substantially meet the requirements of subdivision 3 for that fiscal year period.

Sec. 27. Minnesota Statutes 1990, section 356A.01, subdivision 23, is amended to read:

Subd. 23. [STATE BOARD OF PENSION INVESTMENT.] "State board of pension investment" means the Minnesota state board of

pension investment created by the Minnesota Constitution, article XI, in section 8 13.

Sec. 28. Minnesota Statutes 1990, section 356A.02, subdivision 1, is amended to read:

Subdivision 1. [FIDUCIARY STATUS.] For purposes of this chapter, the following persons are fiduciaries:

- (1) any member of the governing board of a covered pension plan;
- (2) the chief administrative officer of a covered pension plan or of the state board of investment;
- (3) any member of the state board of pension investment; and
- (4) any member of the investment advisory council.

Sec. 29. Minnesota Statutes 1990, section 356A.11, subdivision 1, is amended to read:

Subdivision 1. [INDEMNIFIED FIDUCIARIES.] A fiduciary who is a member of the governing board of a pension plan, the state board of pension investment or the investment advisory council, or who is an employee of a covered pension plan or of the state board of investment may be indemnified from liability for fiduciary breach. Indemnification is at the discretion of the governing board of the plan or of the state board of investment in the case of members of the state board or of the investment advisory council. A decision to indemnify a fiduciary must apply to all eligible fiduciaries of similar rank.

Sec. 30. Minnesota Statutes 1990, section 422A.06, subdivision 8, is amended to read:

Subd. 8. [RETIREMENT BENEFIT FUND.] The retirement benefit fund shall consist of amounts held for payment of retirement allowances for members retired pursuant to this chapter. Assets equal to the required reserves for retirement allowances pursuant to this chapter determined in accordance with the appropriate mortality table adopted by the board of trustees based on the experience of the fund as recommended by the commission-retained actuary shall be transferred from the deposit accumulation fund to the retirement benefit fund as of the last business day of the month in which the retirement allowance begins. The income from investments of these assets shall be allocated to this fund. There shall be paid from this fund the retirement annuities authorized by law. A required reserve calculation for the retirement benefit fund must be made by the actuary retained by the legislative commission on pensions and retirement and must be certified to the retirement board by the

commission-retained actuary. The retirement benefit fund shall be governed by the applicable laws governing the accounting and audit procedures, investment, actuarial requirements, calculation and payment of postretirement benefit adjustments, discharge of any deficiency in the assets of the fund when compared to the actuarially determined required reserves, and other applicable operations and procedures regarding the Minnesota postretirement investment fund established pursuant to section 11A.18, and any legal or administrative interpretations of those laws of the state board of investment, ~~the state board of pension investment, the legal advisor to the board of investment these boards,~~ and the executive director of the state board of investment. If a deferred yield adjustment account is established for the Minnesota postretirement investment fund under section 11A.18, subdivision 5, the retirement board shall also establish and maintain a deferred yield adjustment account within this fund.

Annually, following the calculation of any postretirement adjustment payable from the retirement benefit fund, the board of trustees shall submit a report to the executive director of the legislative commission on pensions and retirement and to the commissioner of finance indicating the amount of any postretirement adjustment and the underlying calculations on which that postretirement adjustment amount is based, including the amount of dividends, the amount of interest, and the amount of net realized capital gains or losses utilized in the calculations.

Sec. 31. Minnesota Statutes 1990, section 490.123, subdivision 2, is amended to read:

Subd. 2. [TREASURER.] The state treasurer shall be ex officio treasurer of the judges' retirement fund and the treasurer's general bond to the state shall be so conditioned as to cover all liability for acting as treasurer of this fund. All moneys received by the treasurer pursuant to this section shall be set aside in the state treasury to the credit of the judges' retirement fund. The treasurer shall transmit monthly to the executive director described in section 352.03, subdivision 5, a detailed statement of all amounts so received and credited to the fund. The treasurer shall pay out the fund only on warrants issued by the commissioner of finance, upon vouchers signed by said executive director; provided that vouchers for investment may be signed by ~~the secretary of~~ an official designated by the state board of pension investment.

Sec. 32. [INSTRUCTION TO REVISOR.]

Subdivision 1. [INTERNAL REFERENCE CHANGES.] In the next and subsequent editions of Minnesota Statutes, the revisor of statutes shall, in each section referred to in column A, strike the section referred to in column B and insert a reference to the section





<u>356.39</u>	<u>11A.18</u>
<u>356.41</u>	<u>11A.18</u>
<u>356A.01, Subd. 16</u>	<u>11A.08</u>
<u>422A.06, Subd. 8</u>	<u>11A.18</u>
<u>422A.18, Subd. 2</u>	<u>11A.18</u>
<u>422A.23, Subd. 10</u>	<u>11A.18</u>
<u>490.107</u>	<u>11A.18</u>
<u>490.123, Subd. 3</u>	<u>11A.18</u>

In the next and subsequent editions of Minnesota Statutes, the revisor shall substitute the term "state board of pension investment" for "state board of investment" in the following places: Minnesota Statutes, chapters 352, 352B, 353, 353A, 353B, 353D, 354, 354B, and 383B; Minnesota Statutes, sections 356.217, 356.615, 356.71, 356A.03, subdivision 4, 356A.06, subdivisions 1, 4, and 6; and 490.123, subdivision 3.

Subd. 2. [RECODIFICATION.] The revisor of statutes shall recodify the following sections of Minnesota Statutes in chapter 11B, so that the term "state board" will refer to the state board of pension investment created in Minnesota Statutes, chapter 11B: 11A.08, as amended by sections 7 and 8; 11A.13, subdivision 2; 11A.17; 11A.18; and 11A.23.

Sec. 33. [REPEALER.]

Minnesota Statutes 1990, section 11A.14, subdivision 5, is repealed.

Sec. 34. [TRANSITION.]

Minnesota Statutes, section 15.039, subdivisions 1 to 6, apply to transfers of duties and powers under this bill. All policies of the state board of investment related to investment of public pension funds remain in effect until amended by the state board of pension investment.

Sec. 35. [EFFECTIVE DATE.]

Sections 13 and 25 are effective July 1, 1993. Sections 1 to 12, 14 to 24, and 26 to 34, are effective July 1, 1994."

Delete the title and insert:

"A bill for an act relating to state government; creating a state board of pension investment; prescribing its powers and duties; transferring authority from the state board of investment; appropriating money; amending Minnesota Statutes 1990, sections 10A.01, subdivision 18; 11A.01; 11A.02, subdivisions 2 and 4; 11A.04; 11A.07, subdivision 5; 11A.08, subdivisions 1 and 2; 11A.09; 11A.13,

subdivision 1; 11A.14, subdivision 3; 79.251, subdivision 7; 352.05; 353.05; 354.06, subdivision 1; 356.218, subdivision 1; 356A.01, subdivision 23; 356A.02, subdivision 1; 356A.11, subdivision 1; 422A.06, subdivision 8; and 490.123, subdivision 2; proposing coding for new law as Minnesota Statutes, chapter 11B; repealing Minnesota Statutes 1990, section 11A.14, subdivision 5.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 2480, A bill for an act relating to agriculture; establishing a dairy expansion and stabilization loan guarantee program; amending Minnesota Statutes 1990, section 41B.03, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 41B.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1990, section 41B.03, is amended by adding a subdivision to read:

Subd. 6. [ELIGIBILITY FOR DAIRY EXPANSION LOANS.] In addition to the requirements under subdivision 1, a prospective borrower for a dairy expansion loan under section 2 must:

(1) have sufficient education, training, or experience in operating a dairy farm;

(2) certify that the loan will be used to expand an existing dairy farm by modernizing the existing facilities or replacing existing facilities with modern ones;

(3) have a reasonable business plan with documented production and management expertise;

(4) demonstrate a need for and an ability to repay the loan; and

(5) certify that dairy farming will be the borrower's principal occupation.

Sec. 2. [41B.041] [DAIRY EXPANSION PROGRAM.]

Subdivision 1. [ESTABLISHMENT.] The authority shall establish, develop criteria for, and implement a dairy expansion program designed to provide loans to dairy farmers who want to expand their production by modernizing or replacing existing dairy production facilities. Loans under this program must primarily finance depreciable assets and dairy cattle and should not be used to purchase real estate.

Subd. 2. [SPECIFICATIONS.] (a) Loans under this section may be for a term of up to 20 years.

(b) A loan under this section may not exceed 90 percent of the cost of the project.

(c) An application for a loan under this section should be evaluated on a commercial cash-flow basis.

(d) The authority shall charge a nonrefundable loan application fee and a loan origination fee to prospective borrowers. Fees shall be deposited to the general fund.

(e) Each loan must be secured by a mortgage on real property comprising all or part of the farm on which the improvements are made, and such other security as the authority may require.

(f) The state may participate in a new loan with an eligible lender to a dairy farmer to the extent of 45 percent of the principal amount of the loan or \$400,000, whichever is less. The interest rates and repayment terms of the authority's participation interest may be different than the interest rates and repayment terms of the lender's retained portion of the loan.

(g) The rural finance authority board shall designate a portion of current bonding authority to be used for the dairy upgrade program."

Amend the title as follows:

Page 1, line 3, delete "guarantee"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 2489, A bill for an act relating to agriculture; providing for a waiver from certain rules relating to water well placement; authorizing recertification of certain dairy farms for "grade A" production; providing for water testing guidelines; amending Minnesota Statutes 1990, section 32.394, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 103L.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1990, section 32.394, is amended by adding a subdivision to read:

Subd. 11. [WAIVER OF RULES; WATER WELL SET-BACK.] Notwithstanding any rule of the department of health or agriculture to the contrary, a dairy farmer who wishes to be permitted to produce grade A milk may not be denied the grade A permit solely because of provisions in the well code stipulating a minimum set-back of the water well from the dairy barn. To be eligible for a grade A permit, the following conditions must be met:

(1) the water well must have been in place prior to January 1, 1974;

(2) the water well must comply with all aspects of the current well code other than minimum set-back; and

(3) water from the well must be tested at least once each six months in compliance with guidelines established by the commissioner of agriculture.

Sec. 2. Minnesota Statutes 1990, section 32.394, is amended by adding a subdivision to read:

Subd. 12. [WATER TESTING GUIDELINES.] The commissioner of agriculture, in consultation with the commissioner of health, must establish guidelines for the types of testing or analysis to be performed on water samples from a well receiving a permit under section 1. The guidelines are not subject to chapter 14."

Amend the title as follows:

Page 1, line 7, delete everything after "adding" and insert "subdivisions."

Page 1, delete line 8

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Anderson, I., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2510, A bill for an act relating to transportation; providing procedures for design, approval, and construction of light rail transit; establishing corridor management committee; designating joint lead agencies for the metropolitan area; providing for resolution of disputes; changing membership and responsibilities of the light rail transit joint powers board; amending Minnesota Statutes 1990, sections 174.32, subdivision 2; 473.167, subdivision 1; 473.399, subdivision 1; 473.3994, subdivisions 2, 3, 4, 5, 6, 7, and by adding subdivisions; 473.3996; 473.4051; Minnesota Statutes 1991 Supplement, section 473.3998; Laws 1991, chapter 291, article 4, section 20; proposing coding for new law in Minnesota Statutes, chapter 174; repealing Minnesota Statutes 1990, sections 473.399, subdivisions 2 and 3; 473.3991; Minnesota Statutes 1991 Supplement, section 473.3997.

Reported the same back with the following amendments:

Page 4, lines 7, 9, and 17, delete “joint lead agencies” and insert “commissioner of transportation and the regional railroad authority or authorities in whose jurisdiction the line or lines are located”

Page 4, line 33, strike “and” and insert a comma

Page 4, lines 33 and 34, delete “joint lead agencies” and insert “commissioner of transportation, and the regional railroad authority or authorities in whose jurisdiction the line or lines are located”

Page 5, lines 5 and 8, delete “joint lead agencies” and insert “commissioner of transportation and the regional railroad authority or authorities in whose jurisdiction the line or lines are located”

Page 5, lines 14 and 15, delete “joint lead agencies” and insert “commissioner of transportation and the regional railroad authority or authorities in whose jurisdiction the line or lines are located”

Page 6, lines 26 and 27, delete “joint lead agencies” and insert “commissioner of transportation”

Page 7, lines 4 and 5, delete "joint lead agencies" and insert "commissioner of transportation and the regional railroad authority or authorities in whose jurisdiction the line or lines are located"

Page 7, line 13, delete "comment" and insert "approval"

Page 7, line 15, after the semicolon insert "and"

Page 7, line 16, delete "; and" and insert a period

Page 7, delete line 17 and insert:

"The commissioner must submit major contract changes during construction to each regional rail authority in which the corridor is located for review and comment."

Page 7, line 20, delete "JOINT LEAD AGENCIES" and insert "ALTERNATIVES ANALYSIS" and delete "(a)"

Page 7, delete lines 21 to 30

Page 7, line 31, delete "(b)"

Page 7, line 34, after "commissioner" insert "of transportation"

Page 7, line 34, delete "a final" and insert "an alternatives analysis, the"

Page 7, line 35, delete "impact statement and" and insert "review documents required, and the"

Page 7, line 36, after the period insert "The council must approve the design for the alternatives analysis and the completed alternatives analysis."

Page 8, line 1, delete everything after the period

Page 8, delete lines 2 to 4

Page 8, lines 23 and 33, delete "joint lead agencies" and insert "commissioner of transportation and the regional railroad authority or authorities in whose jurisdiction the line or lines are located"

Page 11, delete section 18 and insert:

"Sec. 18. Minnesota Statutes 1991 Supplement, section 473.3997, is amended to read:

473.3997 [FEDERAL FUNDING; LIGHT RAIL TRANSIT.]

By July 1, 1992, (a) The regional transit board, the regional rail authorities, and the commissioner of transportation, and the affected regional rail authorities shall jointly prepare any a joint application for federal assistance for light rail transit facilities in the metropolitan area. The application must be reviewed and approved by the metropolitan council before it is submitted by the board and the commissioner. In reviewing the application the council must consider the information submitted to it under section 473.3994, subdivision 9. The board, the rail authorities, and the commissioner must consult with the council in preparing the application. The application may provide for metropolitan regional railroad authorities to design or construct light rail transit facilities under contract with the commissioner.

(b) Until the application described in paragraph (a) is submitted, no political subdivision in the metropolitan area may on its own apply for federal assistance for light rail transit planning or construction.

Page 11, delete lines 28 and 29, and insert:

"Laws 1991, chapter 291, article 4, section 20, is repealed."

Amend the title as follows:

Page 1, delete line 5

Page 1, line 6, delete "area;"

Page 1, line 13, delete "section" and insert "sections 473.3997; and"

Page 1, lines 13 and 14, delete "Laws 1991, chapter 291, article 4, section 20;"

Page 1, line 17, delete "Minnesota Statutes"

Page 1, delete line 18 and insert "; and Laws 1991, chapter 291, article 4, section 20."

With the recommendation that when so amended the bill pass.

The report was adopted.



Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 2563, A bill for an act relating to human services; regulating medical assistance payments for the services of occupational and physical therapy assistants.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 2566, A bill for an act relating to agriculture; modifying license fees for certain food handlers; amending Minnesota Statutes 1991 Supplement, section 28A.08.

Reported the same back with the following amendments:

Page 4, after line 23, insert:

“Sec. 2. Minnesota Statutes 1990, section 28A.15, subdivision 7, is amended to read:

Subd. 7. Persons whose principal business is not food handling but who sell only ice manufactured and prepackaged by another or such nonperishable items as bottled or canned soft drinks ~~and~~, prepackaged confections ~~or~~ nuts at retail, or persons who for their own convenience or the convenience of their employees have available for rehydration and consumption on the premises such nonperishable items as dehydrated coffee, soup, hot chocolate or other dehydrated food or beverage.”

Amend the title as follows:

Page 1, line 3, delete “amending” and insert “clarifying an exclusion from licensing provisions; amending Minnesota Statutes 1990, section 28A.15, subdivision 7;”

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2684, A bill for an act relating to the department of health; establishing a service connection fee for certain public water supply users; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 144.

Reported the same back with the following amendments:

Page 1, delete Section 1

Page 2, line 17, delete "Sec. 2." and insert "Section 1."

Page 2, line 20, delete "Section 1" and insert "complying with the federal Safe Drinking Water Act"

Amend the title as follows:

Page 1, line 2, delete everything after "to" and insert "appropriations; appropriating money to the department of health to comply with the federal Safe Drinking Water Act."

Page 1, delete lines 3 to 5

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 2716, A bill for an act relating to agriculture; changing the expiration of nursery stock dealers' certificates and the penalty for late certificate renewals; clarifying certain language; imposing a penalty for violation of the plant pest act; changing certain pesticide control requirements; changing certain emergency powers of the commissioner related to seeds; changing provisions concerning adulterated dairy products; amending Minnesota Statutes 1990, sections 18.52, subdivision 2; 18.59; 18B.31, subdivision 1; 18B.36, subdivision 1; 21.85, subdivision 10; and 32.21; Minnesota Statutes 1991 Supplement, sections 18.52, subdivision 5; and 18.60, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1990, section 17.03, is amended by adding a subdivision to read:

Subd. 9. [GIFTS; SALE OF PAMPHLETS AND PUBLICATIONS; ADVERTISING; SPECIAL RECEIPTS; FEES; APPROPRIATION.]

(a) The commissioner may accept for and on behalf of the state any gift, bequest, devise, grant, or interest in money or personal property of any kind tendered to the state for any purpose pertaining to the activities of the department of agriculture or any of its divisions.

(b) The commissioner may charge a fee for reports, publications, or other promotional or informational material produced by the department of agriculture. The commissioner may solicit and accept advertising revenue for any departmental publications or promotional materials.

(c) The commissioner may charge fees for seminars, workshops, or other informational meetings that are conducted by the department of agriculture.

(d) The fees collected by the commissioner under this section are to recover all or part of the costs of providing services for which the fees are paid. These fees are not subject to chapter 14 or sections 16A.128 and 16A.1281.

(e) Money received by the commissioner for these activities may be credited to one or more special accounts in the state treasury. Money in those special accounts is annually appropriated to the commissioner to provide the services for which the money was received.

Sec. 2. Minnesota Statutes 1990, section 18.52, subdivision 2, is amended to read:

Subd. 2. [EXPIRATION.] Said certificate shall expire on ~~November 15~~ December 31 of each year.

Sec. 3. Minnesota Statutes 1991 Supplement, section 18.52, subdivision 5, is amended to read:

Subd. 5. [FEES; PENALTY.] A nursery stock dealer shall pay an annual fee based on the dealer's gross sales during the preceding certificate year. A nursery stock dealer operating for the first year will pay the minimum fee.

## Dealers:

- |  |                                     |
|--|-------------------------------------|
| (1) Gross sales up to \$5,000                  | at a location<br>\$70 per location  |
| (2) Gross sales over \$5,000 up to \$10,000    | at a location<br>\$100 per location |
| (3) Gross sales over \$10,000 up to \$25,000   | at a location<br>\$200 per location |
| (4) Gross sales over \$25,000 up to \$75,000   | at a location<br>\$300 per location |
| (5) Gross sales over \$75,000 up to \$100,000  | at a location<br>\$400 per location |
| (6) Gross sales over \$100,000 up to \$250,000 | at a location<br>\$500 per location |
| (7) Gross sales over \$250,000                 | at a location<br>\$600 per location |

In addition to the above fees, A minimum penalty of \$10 or 25 percent of the fee due, whichever is greater, shall be charged for any application for renewal not received by January 1 of the year following expiration of a certificate.

Sec. 4. Minnesota Statutes 1990, section 18.59, is amended to read:

## 18.59 [VIOLATIONS.]

It shall be a violation of the plant pest act for any person:

(1) to hinder or prevent the commissioner from carrying out the duties of the act.

(2) to sell, transport, or offer for sale nursery stock which has not been inspected and certified, by a duly authorized nursery inspector, to be apparently free of plant pests.

(3) to fail to carry out the treatment or destruction of condemned plants or other material after official notification by the commissioner.

(4) to use an invalid certificate of inspection or shipping tag in the sale or distribution of nursery stock covered by this act.

(5) to misrepresent or mislabel nursery stock as to vigor, hardiness and viability.

(6) to violate any quarantine promulgated by the commissioner in accordance with the act.

(7) to fail to comply with any provision of the plant pest act, or any rules promulgated thereunder.

(8) to possess nursery stock or have it on the premises for the purposes of sale or disposition without a valid certificate of inspection, nursery stock dealer's certificate, nursery stock grower's certificate, or greenhouse certificate.

Sec. 5. Minnesota Statutes 1991 Supplement, section 18.60, is amended by adding a subdivision to read:

Subd. 4. [MISDEMEANOR.] A person who violates a provision of the plant pest act or a rule adopted under the plant pest act is guilty of a misdemeanor.

Sec. 6. Minnesota Statutes 1990, section 18B.26, subdivision 3, is amended to read:

Subd. 3. [APPLICATION FEE.] (a) A registrant shall pay an annual application fee for each pesticide to be registered, and this fee is set at one-tenth of one percent for calendar year 1990 and at one-fifth of one percent thereafter of annual gross sales within the state and annual gross sales of pesticides used in the state, with a minimum nonrefundable fee of \$150 plus an additional one-tenth of one percent for each pesticide for which the United States Environmental Protection Agency, Office of Water, has published a Health Advisory Summary by December 1 of the previous year. A registrant need not pay the annual gross sales fee if the fee is less than \$10. The registrant shall determine when and which pesticides are sold or used in this state. The registrant shall secure sufficient sales information of pesticides distributed into this state from distributors and dealers, regardless of distributor location, to make a determination. Sales of pesticides in this state and sales of pesticides for use in this state by out-of-state distributors are not exempt and must be included in the registrant's annual report, as required under paragraph (c), and fees shall be paid by the registrant based upon those reported sales. Sales of pesticides in the state for use outside of the state are exempt from the application fee in this paragraph if the registrant properly documents the sale location and distributors. A registrant paying more than the minimum fee shall pay the balance due by March 1 based on the gross sales of the pesticide by the registrant for the preceding calendar year. The fee for disinfectants and sanitizers is \$150 the minimum. The minimum fee is due by December 31 preceding the year for which the application for registration is made. Of the amount collected after calendar year 1990, up to \$600,000 per year must may be credited to the waste pesticide account under section 18B.065, subdivision 5, and the additional amount collected for pesticides with Health Advisory

Summaries shall be credited to the agricultural project utilization account under section 116O.13 to be used for pesticide use reduction grants by the agricultural utilization research institute.

(b) An additional fee of \$100 must be paid by the applicant for each pesticide to be registered if the application is a renewal application that is submitted after December 31.

(c) A registrant must annually report to the commissioner the amount and type of each registered pesticide sold, offered for sale, or otherwise distributed in the state. The report shall be filed by March 1 for the previous year's registration. The commissioner shall specify the form of the report and require additional information deemed necessary to determine the amount and type of pesticides annually distributed in the state. The information required shall include the brand name, amount, and formulation of each pesticide sold, offered for sale, or otherwise distributed in the state, but the information collected, if made public, shall be reported in a manner which does not identify a specific brand name in the report.

Sec. 7. Minnesota Statutes 1991 Supplement, section 18E.03, subdivision 5, is amended to read:

Subd. 5. [FEE AFTER 1990.] (a) The response and reimbursement fee for calendar years after calendar year 1990 consists of the surcharges in this subdivision and shall be collected by the commissioner. The amount of the response and reimbursement fee shall be determined and imposed annually as required under subdivision 3. The amount of the surcharges shall be proportionate to the surcharges in subdivision 4.

(b) The commissioner shall impose a surcharge on pesticides registered under chapter 18B to be collected as a surcharge on the registration application fee under section 18B.26, subdivision 3, as a percent of gross sales of the pesticide in the state and sales of the pesticide for use in the state during the previous calendar year, except the surcharge may not be imposed on pesticides that are sanitizers or disinfectants as determined by the commissioner. No surcharge is required if the surcharge amount based upon percent of annual gross sales is less than \$10. Corrective action costs incurred in responding to incidents involving sanitizers or disinfectants are ineligible for reimbursement or payment under this chapter. The registrant shall determine when and which pesticides are sold or used in this state. The registrant shall secure sufficient sales information of pesticides distributed into this state from distributors and dealers, regardless of distributor location, to make a determination. Sales of pesticides in this state and sales of pesticides for use in this state by out-of-state distributors are not exempt and must be included in the registrant's annual report, as required under section 18B.26, subdivision 3, paragraph (c), and fees shall be paid by the registrant based upon those reported sales. Sales of pesticides in the

state for use outside of the state are exempt from the surcharge in this paragraph if the registrant properly documents the sale locations and the distributors.

(c) The commissioner shall impose a fee per ton surcharge on the inspection fee under section 18C.425, subdivision 6, for fertilizers, soil amendments, and plant amendments.

(d) The commissioner shall impose a surcharge on the application fee of persons licensed under chapters 18B and 18C consisting of:

(1) a surcharge for each site where pesticides are stored or distributed, to be imposed as a surcharge on pesticide dealer application fees under section 18B.31, subdivision 5;

(2) a surcharge for each site where a fertilizer, plant amendment, or soil amendment is distributed, to be imposed on persons licensed under sections 18C.415 and 18C.425;

(3) a surcharge to be imposed on a structural pest control applicator license application under section 18B.32, subdivision 6, for business license applications only;

(4) a surcharge to be imposed on commercial applicator license application fees under section 18B.33, subdivision 7;

(5) a surcharge to be imposed on noncommercial applicator license application fees under section 18B.34, subdivision 5, except a surcharge may not be imposed on a noncommercial applicator that is a state agency, a political subdivision of the state, the federal government, or an agency of the federal government; and

(6) a surcharge for licensed lawn service applicators under chapter 18B or 18C, to be imposed on license application fees.

(e) If a person has more than one license for a site, only one surcharge may be imposed to cover all the licenses for the site.

(f) A \$1,000 fee shall be imposed on each site where pesticides are stored and sold for use outside of the state unless:

(1) the distributor properly documents that it has less than \$2,000,000 per year in wholesale value of pesticides stored and transferred through the site; or

(2) the registrant pays the surcharge under paragraph (b) and the registration fee under section 18B.26, subdivision 3, for all of the pesticides stored at the site and sold for use outside of the state.

Sec. 8. Minnesota Statutes 1990, section 18B.31, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENT.] (a) ~~Except as provided in paragraph (b), a no person may not shall distribute at wholesale or retail or possess restricted use pesticides or bulk pesticides with an intent to distribute them to an ultimate user without a pesticide dealer license.~~

(b) The pesticide dealer license requirement does not apply to:

(1) a licensed commercial applicator, noncommercial applicator, or structural pest control applicator who uses restricted use pesticides only as an integral part of a pesticide application service;

(2) a federal, state, county, or municipal agency using restricted use pesticides for its own programs; or

(3) a licensed pharmacist, physician, dentist, or veterinarian when administering or dispensing a restricted use pesticide for use in the pharmacist's, physician's, dentist's, or veterinarian's practice.

(c) ~~A licensed pesticide dealer may sell distribute a restricted use pesticides pesticide or a bulk pesticide only to an applicator a person who is properly licensed or certified by the commissioner or that licensed or certified person's designated agent, unless a sale is allowed otherwise authorized by rule. A licensed or certified person is responsible for all acts of that person's agent in regard to distribution under this paragraph.~~

Sec. 9. Minnesota Statutes 1990, section 18B.36, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENT.] (a) Except for a licensed commercial or noncommercial applicator, only a certified private applicator may use a restricted use pesticide to produce an agricultural commodity:

(1) as a traditional exchange of services without financial compensation; or

(2) on a site owned, rented, or managed by the person or the person's employees.

(b) A private applicator or the applicator's agent may not purchase a restricted use pesticide without presenting a certified private applicator card or the card number.

Sec. 10. Minnesota Statutes 1990, section 21.85, subdivision 10, is amended to read:



Subd. 10. [COMMISSIONER MAY ALTER REQUIREMENTS IN EMERGENCIES.] In the event of acute shortages of any seed or seeds, or the occurrence of other conditions which in the opinion of the commissioner create an emergency which would make impractical the enforcement of any requirement of sections 21.80 to 21.92 relating to the percentage of purity ~~and~~, weed seed content, ~~and the variety name of any seed or seeds~~, the commissioner may temporarily change and alter any requirement relating to percentage of purity ~~and~~, weed seed content, and the variety name for the duration of the emergency.

Sec. 11. Minnesota Statutes 1990, section 32.21, is amended to read:

32.21 [ADULTERATED MILK AND CREAM DAIRY PRODUCTS.]

Subdivision 1. [PURCHASE AND SALE PROHIBITION.] A person may not sell or knowingly buy adulterated ~~milk or cream~~ dairy products.

Subd. 2. [MANUFACTURE OF FOOD FOR HUMAN CONSUMPTION FROM ADULTERATED MILK OR CREAM PROHIBITED.] An article of food for human consumption may not be manufactured from adulterated milk or cream, except as provided in section 32.22 or the federal Food, Drug, and Cosmetic Act, United States Code, title 21, section 301 et seq., and related federal regulations.

Prior to processing milk, all bulk milk pickup tankers must be tested for the presence of beta lactum drug residues and for other residues as determined necessary by the commissioner. Test methods must be those approved by the Association of Analytical Chemists (AOAC) or under the AOAC C2 program. Bulk milk tankers testing positive must be reported to the commissioner or the commissioner's agent within 24 hours. This report must include how and where the milk was disposed of, the volume, the responsible producer, and the possible cause of the violative residue. All milk sample residue results must be recorded and retained for examination by the commissioner or the commissioner's agent for six months by the receiving plant. Milk received from a producer in other than a bulk milk pickup tanker is also subject to this section.

Subd. 3. [ADULTERATED MILK OR CREAM.] For purposes of this section and section 32.22, ~~milk or cream~~ is adulterated if it:

- (1) ~~milk~~ is drawn in a filthy or unsanitary place;
- (2) ~~milk~~ is drawn from unhealthy or diseased cows;

(3) ~~milk~~ is drawn from cows that are fed garbage or an unwholesome animal or vegetable substance;

(4) ~~milk~~ is drawn from cows within 15 days before calving, or five days after calving;

(5) ~~milk or cream~~ contains water in excess of that normally found in milk;

(6) ~~contains a substance that is not a normal constituent of the milk or cream, as determined by laboratory procedures established by rule or except as allowed in this chapter;~~

(6) ~~milk contains water in excess of that normally present in milk;~~  
or

(7) ~~milk or cream~~ contains ~~antibiotics~~ drug residues or other ~~bacterial inhibitory~~ chemical or biological substances in amounts above the ~~actionable~~ tolerances or safe levels established by rule or under section 32.415.

Subd. 4. [PENALTIES.] (a) A person, other than a milk producer, who violates this section is guilty of a misdemeanor or subject to a civil penalty up to \$1,000.

(b) A milk producer may not change milk plants within 30 days, without permission of the commissioner, after receiving notification from the commissioner under paragraph (c) or (d) that the milk producer has violated this section.

(c) A milk producer who violates this section shall be subject to a civil penalty of \$100. The commissioner must notify the person violating this section by certified mail stating:

(1) ~~the milk producer violating this section is on probation for one year after the date of violation; and~~

(2) ~~the \$100 civil penalty is suspended unless the milk producer violates this section during the probation period, including changing milk plants within 30 days after the violation.~~

(d) A milk producer who violates this section a second time within a 12-month period is subject to a \$200 civil penalty. The commissioner must notify the milk producer violating this section stating:

(1) ~~the milk producer is still on probation;~~

(2) ~~the \$200 civil penalty is suspended, unless the milk producer violates this section during the probation period, including changing milk plants within 30 days after the violation; and~~

(3) the consequences of a third violation.

(e) A milk producer who violates this section three or more times within a 12-month period is subject to a fine of \$300.

(f) Penalties collected under this section shall be deposited in the milk inspection service account created in section 32.394, subdivision 9, subdivision 3, clause (1), (2), (3), (4), or (5), is subject to clauses (1) to (3) of this paragraph.

(1) Upon notification of the first violation, the producer must meet with the dairy plant field service representative to initiate corrective action within 30 days.

(2) Upon the second violation within a 12-month period, the producer is subject to a civil penalty of \$300. The commissioner shall notify the producer by certified mail stating the penalty is payable in 30 days, the consequences of failure to pay the penalty, and the consequences of future violations.

(3) Upon the third violation within a 12-month period, the producer is subject to an additional civil penalty of \$300 and possible revocation of the producer's permit or certification. The commissioner shall notify the producer by certified mail that all civil penalties owed must be paid within 30 days and that the commissioner is initiating administrative procedures to revoke the producer's permit or certification to sell milk for at least 30 days.

(d) The producer's shipment of milk must be immediately suspended if the producer is identified as an individual source of milk containing residues in violation of subdivision 3, clause (6) or (7). Shipment may resume only after subsequent milk has been sampled by the commissioner or the commissioner's agent and found to contain no residues above established tolerances or safe levels. A milk producer who violates subdivision 3, clause (6) or (7), is subject to clauses (1) to (3) of this paragraph.

(1) For the first violation in a 12-month period, a producer shall not receive payment for any milk contaminated or the equivalent of at least the value of two days' milk production on that farm. Milk purchased for use from the producer during the two-day penalty period will be assessed a civil penalty equal to the minimum value of that milk and is payable to the commissioner by the dairy plant or marketing organization who purchases the milk. The producer remains eligible only for manufacturing grade until the producer completes the "Milk and Dairy Beef Residue Prevention Protocol" with a licensed veterinarian, displays the signed certificate in the milkhouse, and sends verification to the commissioner. To maintain a permit or certification to market milk, this program must be completed within 30 days.

(2) For the second violation in a 12-month period, a producer shall not receive payment for any milk contaminated or the equivalent of at least the value of four days' milk production on that farm. Milk purchased for use from the producer during the four-day penalty period will be assessed a civil penalty equal to the minimum value of that milk and is payable to the commissioner by the dairy plant or marketing organization who purchases the milk. The producer remains eligible only for manufacturing grade until the producer reviews the "Milk and Dairy Beef Residue Prevention Protocol" with a licensed veterinarian, displays the updated certificate in the milkhouse, and sends verification to the commissioner. To maintain a permit or certification to market milk, this program must be reviewed within 30 days.

(3) For the third violation in a 12-month period, a producer shall not receive payment for any milk contaminated or the equivalent of at least the value of four days' milk production on that farm. Milk purchased for use from the producer during the four-day penalty period will be assessed a civil penalty equal to the minimum value of that milk and is payable to the commissioner by the dairy plant or marketing organization who purchases the milk. The producer remains eligible only for manufacturing grade until the producer reviews the "Milk and Dairy Beef Residue Prevention Protocol" with a licensed veterinarian, displays the updated certificate in the milkhouse, and sends verification to the commissioner. To maintain a permit or certification to market milk, this program must be reviewed within 30 days. The commissioner shall also notify the producer by certified mail that the commissioner is initiating administrative procedures to revoke the producer's permit or certification to sell milk for a minimum of 30 days.

(e) A milk producer that has been certified as completing the "Milk and Dairy Beef Residue Prevention Protocol" within 12 months of the first violation of subdivision 3, clause (7), need only review the cause of the violation with a field service representative within three days to maintain shipping status if all other requirements of this section are met.

(f) Civil penalties collected under this section must be deposited in the milk inspection services account established in this chapter.

Sec. 12. [EFFECTIVE DATE.]

Section 11 is effective July 1, 1992."

Delete the title and insert:

"A bill for an act relating to agriculture; changing the expiration of nursery stock dealers' certificates and the penalty for late certificate renewals; clarifying certain language; imposing a penalty for

violation of the plant pest act; changing certain pesticide control requirements; authorizing acceptance of certain money and charging of certain fees; changing certain pesticide registration fee provisions; changing certain emergency powers of the commissioner related to seeds; changing provisions concerning adulterated dairy products; amending Minnesota Statutes 1990, sections 17.03, by adding a subdivision; 18.52, subdivision 2; 18.59; 18B.26, subdivision 3; 18B.31, subdivision 1; 18B.36, subdivision 1; 21.85, subdivision 10; and 32.21; Minnesota Statutes 1991 Supplement, sections 18.52, subdivision 5; 18.60, by adding a subdivision; and 18E.03, subdivision 5."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 2733, A bill for an act relating to agriculture; establishing a dairy fund in the state treasury; imposing fees; providing for certain milk premium payments to dairy farmers; establishing a Minnesota dairy board; proposing coding for new law in Minnesota Statutes, chapter 32.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [LEGISLATIVE INTENT.]

It is the intent of the legislature that establishing an over-order premium milk price will benefit the incomes of all Minnesota dairy farmers and improve the economies in rural communities.

Sec. 2. [MINIMUM CLASS I MILK PRICE.]

The minimum price for Class I milk as defined by the upper midwest federal milk marketing order (Code of Federal Regulations, title 7, part 1068) for milk purchased in Minnesota for Class I use shall be not less than \$1.50 per hundredweight higher than the Class I price specified in the applicable milk marketing order. This price shall be paid by processors of Class I milk directly to their suppliers of Grade A milk or to the agents of such suppliers. Suppliers or agents shall pass the entire over-order premium payment equally to dairy producers.

Sec. 3. [RULES.]

The commissioner of agriculture shall promulgate rules or emergency rules to implement section 2 in a manner that minimizes disruption to existing trade practices and commercial transactions. The rules may contain provisions allowing the commissioner to audit processors for compliance with section 2.

Sec. 4. [REPORT.]

Not later than March 1, 1993, and each year thereafter, the commissioner of agriculture shall report to the chairs of the senate and house of representatives standing committees dealing with agriculture policy on the impacts and benefits to dairy farmers of the minimum Class I milk price established under section 2.

Sec. 5. [EFFECTIVE DATE.]

Section 3 is effective the day following final enactment. Section 2 is effective June 1, 1992.

Delete the title and insert:

“A bill for an act relating to agriculture; establishing a state over-order premium milk price for dairy farmers for certain milk; requiring an annual report.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 2734, A bill for an act relating to agriculture; the Minnesota rural finance authority; providing for establishment of an agricultural improvement loan program for grade B dairy producers; appropriating money and authorizing the issuance of state bonds to fund the program; amending Minnesota Statutes 1990, section 41B.02, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 41B.

Reported the same back with the following amendments:

Page 2, line 1, after the period insert “In the first two years of the program, only projects in the first and second priority categories may be funded.”

Page 2, line 2, after the period insert “Second priority must be for financing waste management facilities for livestock operations.”

Page 2, line 3, delete “\$15,000” and insert “\$20,000”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Vellenga from the Committee on Judiciary to which was referred:

H. F. No. 2750, A bill for an act relating to human rights; defining certain terms; clarifying certain discriminatory practices; amending Minnesota Statutes 1990, sections 363.01, subdivision 35, and by adding subdivisions; 363.02, subdivision 1; 363.03, subdivisions 1, 2, 3, 4, and 10.

Reported the same back with the following amendments:

Page 3, after line 16, insert:

“Subd. 41a. [SPECIFIED PUBLIC TRANSPORTATION.] “Specified public transportation” means transportation by bus, rail, or any other conveyance other than aircraft that provides the general public with general or special service, including charter service, on a regular and continuing basis.

Sec. 9. Minnesota Statutes 1990, section 363.01, is amended by adding a subdivision to read:”

Page 3, line 17, delete “41a” and insert “41b”

Page 3, after line 26, insert:

“Sec. 10. Minnesota Statutes 1990, section 363.01, is amended by adding a subdivision to read:

Subd. 44. [VEHICLE.] “Vehicle” does not include a rail passenger car, railroad locomotive, railroad freight car, railroad caboose, or railroad car.”

Page 4, lines 29 to 31, strike “for the purpose of determining the person’s capability to perform available employment,”

Page 5, strike lines 5 and 6

Page 5, line 7, strike “(c)” and insert “(b)”

Page 5, line 10, delete “and”

Page 5, line 11, delete “(d)” and insert “(c)”

Page 5, line 21, delete everything after “and”

Page 5, delete line 22 and insert:

“(d) the results of the examination are used only in accordance with this chapter; or”

Page 5, line 23, strike “, after employment has”

Page 5, line 24, strike “commenced,” and strike “additional”

Page 17, line 36, delete “accommodations, including” and insert “modifications, provide”

Page 18, delete lines 1 to 4 and insert “auxiliary aids and services, and remove barriers, consistent with section 363.03, subdivision 3, paragraph (c);

(3) the purchase or lease of a new vehicle (other than an automobile or van with a seating capacity of fewer than eight passengers, including the driver, or an over-the-road bus) that is to be used to provide”

Page 18, line 14, delete “(3)” and insert “(4)”

Page 18, line 28, delete “(4)” and insert “(5)”

Page 18, line 36, delete “less” and insert “fewer”

Page 19, line 8, delete “(5)” and insert “(6)”

Renumber the sections in sequence

Correct internal references

With the recommendation that when so amended the bill pass.

The report was adopted.



Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2754, A bill for an act relating to retirement; Columbia Heights paid firefighters relief association; authorizing the termination of the relief association; providing a procedure for the conversion of retirement benefits for the active and retired membership; continuing certain state aid payments; amending Laws 1965, chapter 605, sections 5, 16, 18 and 31; Laws 1975, chapter 424, section 13; and Laws 1977, chapter 374, sections 39, 40, 45, 47, 49, 51, as amended, and 54; repealing Laws 1965, chapter 605, sections 1, 2, 4, 5, 7, 8, 9, 10, 11, 13, 14, 15, 17, 19, 20, 21, 22, 23, 24, 25, 26, 27, 29, and 30; Laws 1975, chapter 424, sections 1, 2, 4, 5, 6, 7, 8, 9, 10, 11, and 12; Laws 1977, chapter 374, sections 38, 48, 52, 53, 56, 57, 58, and 59; Laws 1978, chapter 563, sections 29 and 30; Laws 1979, chapter 201, section 40; and Laws 1981, chapter 224, section 267.

Reported the same back with the following amendments:

Page 16, after line 14, insert:

### “ARTICLE 3

#### COLUMBIA HEIGHTS POLICE RELIEF ASSOCIATION BENEFIT AND RELATED CHANGES

Section 1. Laws 1977, chapter 374, section 8, subdivision 1, is amended to read:

Subdivision 1. The words “salary of a top patrolman” and “top patrolman’s salary” as used in this act shall mean all monthly wages and salaries subject to Minnesota state or federal withholding for tax purposes of a top patrolman employed by the city of Columbia Heights on scheduled shifts set by the city of Columbia Heights pursuant to the current terms of any labor agreement between the policeman or his union and the city of Columbia Heights. The terms “salary of a top patrolman” and “top patrolman’s salary” shall exclude payment for overtime work which shall be defined as work performed at the express authorization of the city of Columbia heights in excess of the policeman’s scheduled shift, any increased amount of pay over the pay of a top patrolman for duties as a detective investigator, payment for volunteer work, payment for court time, payment for call back time which shall be defined as work performed by a policeman who is called to duty during his scheduled off-duty time, ~~payment of education incentive or for longevity~~, payment for clothing, payment for holiday service, night shift pay, emergency duty pay, standby pay or pay for or in lieu of any fringe benefit or term or condition of employment whatsoever other

than payment for scheduled shifts. This definition shall be effective retroactive to June 15, 1976.

Sec. 2. [REQUIRED EMPLOYEE CONTRIBUTIONS.]

Each active member of the Columbia Heights police relief association who elects to be covered by the public employees police and fire fund benefit plan following consolidation under Minnesota Statutes, section 353A.08, shall contribute the member contribution on the person's actual salary that the active member would have contributed to the public employees police and fire fund had the person been a member of the public employees police and fire fund since the start of the person's employment as a police officer by the city of Columbia Heights, reduced by the actual contribution to the relief association made by the member. The payment is due within 180 days of the public employees police and fire fund benefit plan election, plus interest from the midpoint of the member's period of service as a Columbia Heights police officer at an annual compound rate of 8.5 percent.

Sec. 3. [LOCAL APPROVAL.]

Sections 1 and 2 are effective upon an affirmative vote by the city of Columbia Heights police relief association to consolidate with the public employees police and fire fund under Minnesota Statutes, section 353A.04, and on approval of sections 1 and 2 by the Columbia Heights city council and compliance with Minnesota Statutes, section 645.021. Section 1 applies only to benefits payable and contributions made after that date. Notwithstanding Minnesota Statutes, section 645.021, subdivision 3, the Columbia Heights city council has until December 31, 1993, to approve sections 1 and 2."

Amend the title as follows:

Page 1, line 2, after "Heights" insert "police and"

Page 1, line 3, delete "association" and insert "associations"

Page 1, line 7, after the semicolon insert "requiring additional police member contributions in certain instances;"

Page 1, line 10, after "sections" insert "8, subdivision 1,"

With the recommendation that when so amended the bill pass.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 2783, A bill for an act relating to agriculture; authorizing the commissioner of agriculture to make certain adjustments, agreements, and settlements in family farm security loans; providing for transfer and disposition of certain funds; appropriating money; amending Minnesota Statutes 1990, sections 41.56, subdivision 3; 41.57, by adding subdivisions; and 41.61, by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 2830, A bill for an act relating to agriculture; providing assistance to legal challenges of certain aspects of the federal milk marketing order system; appropriating money.

Reported the same back with the following amendments:

Page 1, line 14, delete "of other funds available"

Page 1, line 15, delete everything before the period and insert "the dairy industry unfair trade practices account established under Minnesota Statutes, section 32A.05, subdivision 4"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2849, A bill for an act relating to state parks; authorizing the commissioner of natural resources to negotiate a special fee structure for the Split Rock Lighthouse state historic site within Split Rock Lighthouse state park; amending Minnesota Statutes 1990, section 85.053, by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 2858, A bill for an act relating to human services; expanding provider surcharges to include providers not participating in the medical assistance program; modifying provider reimbursement rates; amending Minnesota Statutes 1990, sections 256B.431, subdivision 2i, and by adding a subdivision; and 256B.48, subdivision 1b, and by adding a subdivision; Minnesota Statutes 1991 Supplement, sections 144A.071, subdivisions 3 and 3a; 256.9656; 256.9657, subdivisions 1, 2, 3, 4, 7, and by adding a subdivision; 256.969, subdivisions 1, 9, 20, and 21; 256B.431, subdivision 3f; and 256B.74, subdivisions 1 and 3; repealing Minnesota Statutes 1991 Supplement, sections 256.9657, subdivision 5; 256B.74, subdivisions 8 and 9; and Laws 1991, chapter 292, article 4, section 77.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1991 Supplement, section 144A.071, subdivision 3, is amended to read:

Subd. 3. [EXCEPTIONS.] The commissioner of health, in coordination with the commissioner of human services, may approve the addition of a new certified bed or the addition of a new licensed nursing home bed, under the following conditions:

(a) to replace a bed decertified after May 23, 1983, or to address an extreme hardship situation, in a particular county that, together with all contiguous Minnesota counties, has fewer nursing home beds per 1,000 elderly than the number that is ten percent higher than the national average of nursing home beds per 1,000 elderly individuals. For the purposes of this section, the national average of nursing home beds shall be the most recent figure that can be supplied by the federal health care financing administration and the number of elderly in the county or the nation shall be determined by the most recent federal census or the most recent estimate of the state demographer as of July 1, of each year of persons age 65 and older, whichever is the most recent at the time of the request for replacement. In allowing replacement of a decertified bed, the commissioners shall ensure that the number of added or recertified

beds does not exceed the total number of decertified beds in the state in that level of care. An extreme hardship situation can only be found after the county documents the existence of unmet medical needs that cannot be addressed by any other alternatives;

(b) to certify a new bed in a facility that commenced construction before May 23, 1983. For the purposes of this section, "commenced construction" means that all of the following conditions were met: the final working drawings and specifications were approved by the commissioner of health; the construction contracts were let; a timely construction schedule was developed, stipulating dates for beginning, achieving various stages, and completing construction; and all zoning and building permits were secured;

(c) to certify beds in a new nursing home that is needed in order to meet the special dietary needs of its residents, if: the nursing home proves to the commissioner's satisfaction that the needs of its residents cannot otherwise be met; elements of the special diet are not available through most food distributors; and proper preparation of the special diet requires incurring various operating expenses, including extra food preparation or serving items, not incurred to a similar extent by most nursing homes;

(d) to license a new nursing home bed in a facility that meets one of the exceptions contained in clauses (a) to (c);

(e) to license nursing home beds in a facility that has submitted either a completed licensure application or a written request for licensure to the commissioner before March 1, 1985, and has either commenced any required construction as defined in clause (b) before May 1, 1985, or has, before May 1, 1985, received from the commissioner approval of plans for phased-in construction and written authorization to begin construction on a phased-in basis. For the purpose of this clause, "construction" means any erection, building, alteration, reconstruction, modernization, or improvement necessary to comply with the nursing home licensure rules;

(f) to certify or license new beds in a new facility that is to be operated by the commissioner of veterans' affairs or when the costs of constructing and operating the new beds are to be reimbursed by the commissioner of veterans' affairs or the United States Veterans Administration;

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

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

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

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

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

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

(h) to license or certify beds that are moved from one location to another within a nursing home facility, provided the total costs of remodeling performed in conjunction with the relocation of beds does not exceed ten percent of the appraised value of the facility or \$200,000, whichever is less, or to license or certify beds in a facility for which the total costs of remodeling or renovation exceed ten percent of the appraised value of the facility or \$200,000, whichever is less, if the facility makes a written commitment to the commissioner of human services that it will not seek to receive an increase in its property-related payment rate by reason of the remodeling or renovation;

(i) to license or certify beds in a facility that has been involuntarily delicensed or decertified for participation in the medical assistance program, provided that an application for relicensure or recertification is submitted to the commissioner within 120 days after delicensure or decertification;

(j) to license or certify beds in a project recommended for approval by the interagency board for quality assurance under section 144A.073;

(k) to license nursing home beds in a hospital facility that are relocated from a different hospital facility under common ownership or affiliation, provided:

(1) the nursing home beds are not certified for participation in the medical assistance program; and

(2) the relocation of nursing home beds under this clause should not exceed a radius of six miles;

(l) to license or certify beds that are moved from one location to another within an existing identifiable complex of hospital build-

ings, from a hospital-attached nursing home to the hospital building, or from a separate nursing home to a building formerly used as a hospital, provided the original nursing home building will no longer be operated as a nursing home and the building to which the beds are moved will no longer be operated as a hospital. As a condition of receiving a license or certification under this clause, the facility must make a written commitment to the commissioner of human services that it will not seek to receive an increase in its property-related payment rate as a result of the relocation. At the time of the licensure and certification of the nursing home beds, the commissioner of health shall delicense the same number of acute care beds within the existing complex of hospital buildings or building. Relocation of nursing home beds under this clause is subject to the limitations in section 144A.073, subdivision 5;

(m) to license or certify beds that are moved from an existing state nursing home to a different state facility, provided there is no net increase in the number of state nursing home beds. The relocated beds need not be licensed and certified at the new location simultaneously with the delicensing and decertification of the old beds and may be licensed and certified at any time after the old beds are delicensed and decertified;

(n) to license new nursing home beds in a continuing care retirement community affiliated with a national referral center engaged in substantial programs of patient care, medical research, and medical education meeting state and national needs that receives more than 40 percent of its residents from outside the state for the purpose of meeting contractual obligations to residents of the retirement community, provided the facility makes a written commitment to the commissioner of human services that it will not seek medical assistance certification for the new beds;

(o) to certify or license new beds in a new facility on the Red Lake Indian Reservation for which payments will be made under the Indian Health Care Improvement Act, Public Law Number 94-437, at the rates specified in United States Code, title 42, section 1396d(b);

(p) to certify and license as nursing home beds boarding care beds in a certified boarding care facility if the beds meet the standards for nursing home licensure and if the cost of any remodeling of the facility does not exceed ten percent of the appraised value of the facility or \$200,000, whichever is less; or to license as nursing home beds boarding care beds in a facility with an addendum to its provider agreement effective beginning July 1, 1983, if the boarding care beds to be upgraded meet the standards for nursing home licensure. If boarding care beds are licensed as nursing home beds, the number of boarding care beds in the facility must not increase in the future. The provisions contained in section 144A.073 regarding

the upgrading of the facilities do not apply to facilities that satisfy these requirements;

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

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

(s) to license or certify beds that are moved from a nursing home to a separate facility under common ownership or control that was formerly licensed as a hospital and is currently licensed as a nursing facility and that is located within eight miles of the original facility, provided the original nursing home building will no longer be operated as a nursing home. As a condition of receiving a license or certification under this clause, the facility must make a written commitment to the commissioner of human services that it will not seek to receive an increase in its property-related payment rate as a result of the relocation; ☞

(t) to license as a nursing home and certify as a nursing facility a facility that is licensed as a boarding care facility but not certified under the medical assistance program, but only if the commissioner of human services certifies to the commissioner of health that



licensing the facility as a nursing home and certifying the facility as a nursing facility will result in a net annual savings to the state general fund of \$200,000 or more; or

(u) to certify, prior to July 1, 1993, beds in a facility that has no certified beds but was licensed and in operation prior to January 1, 1992.

Sec. 2. Minnesota Statutes 1991 Supplement, section 144A.071, subdivision 3a, is amended to read:

Subd. 3a. [CERTIFICATION OF LICENSED BEDS IN A CERTIFIED FACILITY.] Nothing in this section prohibits the commissioner of health from certifying licensed nursing home beds in a facility certified for medical assistance provided that these beds meet the certification requirements ~~and the facility enters into a written agreement with the commissioner of human services specifying that medical assistance reimbursement shall not be requested for a greater number of residents than the facility had medical assistance certified beds on April 1, 1991.~~

Sec. 3. Minnesota Statutes 1991 Supplement, section 256.9656, is amended to read:

256.9656 [DEPOSITS INTO THE GENERAL FUND.]

All money collected under section 256.9657 shall be deposited in the general fund ~~and is appropriated to the commissioner of human services for the purposes of section 256B.74.~~ Deposits do not cancel and are available until expended.

Sec. 4. Minnesota Statutes 1991 Supplement, section 256.9657, subdivision 1, is amended to read:

Subdivision 1. [NURSING FACILITY HOME LICENSE SURCHARGE.] Effective ~~July 1, 1991~~ October 1, 1992, each nonstate operated nursing facility subject to the reimbursement principles in Minnesota Rules, parts 9549.0010 to 9549.0080, home licensed under chapter 144A shall pay to the commissioner an annual surcharge according to the schedule in subdivision 4. The surcharge shall be calculated as \$500 \$520 per bed licensed on the previous April 1 July 1, except that if the number of licensed beds is reduced after July 1 but prior to August 1, the surcharge shall be based on the number of remaining licensed beds. A nursing home entitled to a reduction in the number of beds subject to the surcharge under this provision must demonstrate to the satisfaction of the commissioner by August 5 that the number of beds has been reduced.

Sec. 5. Minnesota Statutes 1991 Supplement, section 256.9657, is amended by adding a subdivision to read:

Subd. 1a. [WAIVER REQUEST.] The commissioner shall request a waiver from the secretary of health and human services to exclude from the surcharge under subdivision 1 a nursing home that provides all services free of charge. If a waiver is approved under this subdivision, the commissioner shall not collect a surcharge from a nursing home that demonstrates to the satisfaction of the commissioner that all services are provided free of charge.

Sec. 6. Minnesota Statutes 1991 Supplement, section 256.9657, subdivision 2, is amended to read:

Subd. 2. [HOSPITAL SURCHARGE.] (a) Effective July 1, 1991 October 1, 1992, each Minnesota and local trade area hospital except facilities of the federal Indian Health Service and regional treatment centers shall pay to the medical assistance account a surcharge equal to ten 1.29 percent of medical assistance payments issued to net patient revenues excluding net Medicare revenues reported by that provider for inpatient services to the health care cost information system according to the schedule in subdivision 4. Medicare crossovers and indigent care payments paid under section 256B.74 are excluded from the amount of medical assistance payments issued.

(b) Effective July 1, 1991, each Minnesota and local trade area hospital except facilities of the federal Indian Health Service and regional treatment centers shall pay to the medical assistance account a surcharge equal to five percent of medical assistance payments issued to that provider for outpatient services according to the schedule in subdivision 4. Medicare crossovers are excluded from the amount of medical assistance payments issued.

Sec. 7. Minnesota Statutes 1991 Supplement, section 256.9657, subdivision 3, is amended to read:

Subd. 3. [HEALTH PLAN MAINTENANCE ORGANIZATION SURCHARGE.] Effective July 1, 1991 October 1, 1992, each health plan under contract with maintenance organization with a certificate of authority issued by the commissioner of health under chapter 62D shall pay to the commissioner of human services a surcharge equal to the equivalent value of the surcharges described in subdivision 2 for each medical assistance rate cell payment four-tenths of one percent of the total expenses allocated to outpatient services by the health maintenance organization as reported to the commissioner of health according to the schedule in subdivision 4. The surcharge for each quarter or month of a fiscal year shall be calculated based on the payments due in September of the same fiscal year under subdivision 2.

Sec. 8. Minnesota Statutes 1991 Supplement, section 256.9657, subdivision 4, is amended to read:

Subd. 4. [PAYMENTS INTO THE ACCOUNT.] Payments to the commissioner under ~~subdivision~~ subdivisions 1 to 3 must be paid in monthly installments due on the 15th of the month beginning ~~August 15, 1991~~ October 15, 1992. The monthly payment must be equal to the annual surcharge divided by 12. Payments to the commissioner under subdivisions 2 and 3 for fiscal year 1993 must be paid as follows: the first payment is a quarterly payment due ~~September 15, 1991~~, with subsequent payments due monthly on the ~~fifteenth~~ of each month. The ~~September 15, 1991, payment under subdivisions 2 and 3 shall be determined by taking the amount of medical assistance payments issued to each provider in the calendar quarter beginning six months prior to the quarter in which the payment is due multiplied by the percentage surcharge for each provider. The subsequent monthly payments shall be determined by taking the amount of medical assistance payments issued to each provider in the month beginning six months prior to the month in which the payment is due multiplied by the percentage surcharge for each provider based on calendar year 1990 revenues. Effective July 1 of each year, beginning in 1993, payments under subdivisions 2 and 3 must be based on revenues earned in the second previous calendar year.~~

Sec. 9. Minnesota Statutes 1991 Supplement, section 256.9657, subdivision 7, is amended to read:

Subd. 7. [~~ENFORCEMENT COLLECTION; CIVIL PENALTIES.~~] ~~The commissioner shall bring action in district court to collect provider payments due under subdivisions 1 to 3 that are more than 30 days in arrears. The provisions of sections 289A.35 to 289A.50 relating to the authority to audit, assess, collect, and pay refunds of other state taxes may be implemented by the commissioner of human services with respect to the tax, penalty, and interest imposed by this section. The commissioner of human services shall impose civil penalties for violation of this section as provided in section 289A.60, and the tax and penalties are subject to interest at the rate provided in section 270.75.~~

Sec. 10. Minnesota Statutes 1991 Supplement, section 256.969, subdivision 1, is amended to read:

Subdivision 1. [HOSPITAL COST INDEX.] The hospital cost index shall be obtained from an independent source and shall represent a weighted average of historical, as limited to statutory maximums, and projected cost change estimates determined for expense categories to include wages and salaries, employee benefits, medical and professional fees, raw food, utilities, insurance including malpractice insurance, and other applicable expenses as determined by the commissioner. The index shall reflect Minnesota cost category weights. Individual indices shall be specific to Minnesota if the commissioner determines that sufficient accuracy of the hospital cost index is achieved. The hospital cost index shall be used to adjust

the base year operating payment rate through the rate year on an annually compounded basis. Notwithstanding section 256.9695, subdivision 3, paragraph (c), the hospital cost index shall not be effective under the general assistance medical care program for admissions occurring during the biennium ending June 30, 1993, and the hospital cost index under medical assistance shall be increased by one percentage point to reflect changes in technology.

Sec. 11. Minnesota Statutes 1991 Supplement, section 256.969, subdivision 9, is amended to read:

Subd. 9. [DISPROPORTIONATE NUMBERS OF LOW-INCOME PATIENTS SERVED.] For admissions occurring on or after ~~July 1, 1989~~ October 1, 1992, the medical assistance disproportionate population adjustment shall ~~comply with federal law at fully implemented rates be paid to any hospital with medical assistance days in excess of the arithmetic mean. The adjustment must be determined by multiplying the operating payment rate by the difference between a hospital's actual percentage of medical assistance days and the arithmetic mean for all hospitals. If federal matching funds are not available for all adjustments under this subdivision, the commissioner shall reduce payments on a pro rata basis so that all adjustments qualify for federal match.~~ be paid to any hospital with medical assistance days in excess of the arithmetic mean. The adjustment must be determined by multiplying the operating payment rate by the difference between a hospital's actual percentage of medical assistance days and the arithmetic mean for all hospitals. If federal matching funds are not available for all adjustments under this subdivision, the commissioner shall reduce payments on a pro rata basis so that all adjustments qualify for federal match. The commissioner may establish a separate disproportionate population operating payment rate adjustment under the general assistance medical care program.

Sec. 12. Minnesota Statutes 1991 Supplement, section 256.969, subdivision 20, is amended to read:

Subd. 20. [INCREASES IN MEDICAL ASSISTANCE INPATIENT PAYMENTS; CONDITIONS.] (a) Medical assistance inpatient payments shall increase 20 percent for inpatient hospital originally paid admissions, excluding Medicare crossovers, that occurred between July 1, 1988, and December 31, 1990, if: (i) the hospital had 100 or fewer Minnesota medical assistance annualized paid admissions, excluding Medicare crossovers, that were paid by March 1, 1988, for the period January 1, 1987, to June 30, 1987; (ii) the hospital had 100 or fewer licensed beds on March 1, 1988; (iii) the hospital is located in Minnesota; and (iv) the hospital is not located in a city of the first class as defined in section 410.01. For this paragraph, medical assistance does not include general assistance medical care.

(b) Medical assistance inpatient payments shall increase 15 percent for inpatient hospital originally paid admissions, excluding Medicare crossovers, that occurred between July 1, 1988, and December 31, 1990, if: (i) the hospital had more than 100 but fewer than 250 Minnesota medical assistance annualized paid admissions, excluding Medicare crossovers, that were paid by March 1, 1988, for the period January 1, 1987, to June 30, 1987; (ii) the hospital had 100 or fewer licensed beds on March 1, 1988; (iii) the hospital is

located in Minnesota; and (iv) the hospital is not located in a city of the first class as defined in section 410.01. For this paragraph, medical assistance does not include general assistance medical care.

(c) Medical assistance inpatient payments shall increase 20 percent for inpatient hospital originally paid admissions, excluding Medicare crossovers, that occur on or after October 1, 1992, if: (i) the hospital does not receive an adjustment under subdivision 9; (ii) the hospital had 100 or fewer Minnesota medical assistance annualized paid admissions, excluding Medicare crossovers, that were paid by March 1, 1988, for the period January 1, 1987 to June 30, 1987; (iii) the hospital had 100 or fewer licensed beds on March 1, 1988; (iv) the hospital is located in Minnesota; and (v) the hospital is not located in a city of the first class as defined in section 410.01. For this paragraph, medical assistance does not include general assistance medical care.

(d) Medical assistance inpatient payments shall increase 15 percent for inpatient hospital originally paid admissions, excluding Medicare crossovers, that occur after September 30, 1992, if: (i) the hospital does not receive an adjustment under subdivision 9; (ii) the hospital had more than 100 but fewer than 250 Minnesota medical assistance annualized paid admissions, excluding Medicare crossovers, that were paid by March 1, 1988, for the period January 1, 1987 to June 30, 1987; (iii) the hospital had 100 or fewer licensed beds on March 1, 1988; (iv) the hospital is located in Minnesota; and (v) the hospital is not located in a city of the first class as defined in section 410.01. For this paragraph, medical assistance does not include general assistance medical care.

Sec. 13. Minnesota Statutes 1990, section 256B.41, subdivision 2, is amended to read:

Subd. 2. [FEDERAL REQUIREMENTS.] If any provision of this section and sections 256B.421, 256B.431, 256B.4311, 256B.47, 256B.48, 256B.50, and 256B.502, is determined by the United States government to be in conflict with existing or future requirements of the United States government with respect to federal participation in medical assistance, the federal requirements shall prevail.

Sec. 14. Minnesota Statutes 1990, section 256B.421, subdivision 1, is amended to read:

Subdivision 1. [SCOPE.] For the purposes of this section and sections 256B.41, 256B.411, 256B.431, 256B.4311, 256B.432, 256B.433, 256B.47, 256B.48, 256B.495, 256B.50, and 256B.502, the following terms and phrases shall have the meaning given to them.

Sec. 15. Minnesota Statutes 1990, section 256B.431, subdivision 2i, is amended to read:

Subd. 2i. [OPERATING COSTS AFTER JULY 1, 1988.] (a) [OTHER OPERATING COST LIMITS.] For the rate year beginning July 1, 1988, the commissioner shall increase the other operating cost limits established in Minnesota Rules, part 9549.0055, subpart 2, item E, to 110 percent of the median of the array of allowable historical other operating cost per diems and index these limits as in Minnesota Rules, part 9549.0056, subparts 3 and 4. The limits must be established in accordance with subdivision 2b, paragraph (d). For rate years beginning on or after July 1, 1989, the adjusted other operating cost limits must be indexed as in Minnesota Rules, part 9549.0056, subparts 3 and 4.

(b) [CARE-RELATED OPERATING COST LIMITS.] For the rate year beginning July 1, 1988, the commissioner shall increase the care-related operating cost limits established in Minnesota Rules, part 9549.0055, subpart 2, items A and B, to 125 percent of the median of the array of the allowable historical case mix operating cost standardized per diems and the allowable historical other care-related operating cost per diems and index those limits as in Minnesota Rules, part 9549.0056, subparts 1 and 2. The limits must be established in accordance with subdivision 2b, paragraph (d). For rate years beginning on or after July 1, 1989, the adjusted care-related limits must be indexed as in Minnesota Rules, part 9549.0056, subparts 1 and 2. For the rate period beginning October 1, 1992, and for rate years beginning after June 30, 1993, the amount of the surcharge under section 256.9657, subdivision 1, shall be included in the plant operations and maintenance operating cost category. The surcharge shall be an allowable cost for the purpose of establishing the payment rate.

(c) [SALARY ADJUSTMENT PER DIEM.] For the rate period October 1, 1988, to June 30, 1990, the commissioner shall add the appropriate salary adjustment per diem calculated in clause (1) or (2) to the total operating cost payment rate of each nursing home. The salary adjustment per diem for each nursing home must be determined as follows:

(1) for each nursing home that reports salaries for registered nurses, licensed practical nurses, and aides, orderlies and attendants separately, the commissioner shall determine the salary adjustment per diem by multiplying the total salaries, payroll taxes, and fringe benefits allowed in each operating cost category, except management fees and administrator and central office salaries and the related payroll taxes and fringe benefits, by 3.5 percent and then dividing the resulting amount by the nursing home's actual resident days; and

(2) for each nursing home that does not report salaries for registered nurses, licensed practical nurses, aides, orderlies, and attendants separately, the salary adjustment per diem is the

weighted average salary adjustment per diem increase determined under clause (1).

Each nursing home that receives a salary adjustment per diem pursuant to this subdivision shall adjust nursing home employee salaries by a minimum of the amount determined in clause (1) or (2). The commissioner shall review allowable salary costs, including payroll taxes and fringe benefits, for the reporting year ending September 30, 1989, to determine whether or not each nursing home complied with this requirement. The commissioner shall report the extent to which each nursing home complied with the legislative commission on long-term care by August 1, 1990.

(d) [NEW BASE YEAR.] The commissioner shall establish new base years for both the reporting year ending September 30, 1989, and the reporting year ending September 30, 1990. In establishing new base years, the commissioner must take into account:

- (1) statutory changes made in geographic groups;
- (2) redefinitions of cost categories; and
- (3) reclassification, pass-through, or exemption of certain costs such as public employee retirement act contributions.

(e) [NEW BASE YEAR.] The commissioner shall establish a new base year for the reporting year ending September 30, 1991. In establishing a new base year, the commissioner must take into account:

- (1) statutory changes made in geographic groups;
- (2) redefinitions of cost categories; and
- (3) reclassification, pass-through, or exemption of certain costs.

Sec. 16. Minnesota Statutes 1991 Supplement, section 256B.431, subdivision 3f, is amended to read:

Subd. 3f. [PROPERTY COSTS AFTER JULY 1, 1988.] (a) [INVESTMENT PER BED LIMIT.] For the rate year beginning July 1, 1988, the replacement-cost-new per bed limit must be \$32,571 per licensed bed in multiple bedrooms and \$48,857 per licensed bed in a single bedroom. For the rate year beginning July 1, 1989, the replacement-cost-new per bed limit for a single bedroom must be \$49,907 adjusted according to Minnesota Rules, part 9549.0060, subpart 4, item A, subitem (1). Beginning January 1, 1990, the replacement-cost-new per bed limits must be adjusted annually as specified in Minnesota Rules, part 9549.0060, subpart 4, item A, subitem (1). Beginning January 1, 1991, the replacement-cost-new

per bed limits will be adjusted annually as specified in Minnesota Rules, part 9549.0060, subpart 4, item A, subitem (1), except that the index utilized will be the Bureau of the Census: Composite fixed-weighted price index as published in the Survey of Current Business.

(b) [RENTAL FACTOR.] For the rate year beginning July 1, 1988, the commissioner shall increase the rental factor as established in Minnesota Rules, part 9549.0060, subpart 8, item A, by 6.2 percent rounded to the nearest 100th percent for the purpose of reimbursing nursing homes for soft costs and entrepreneurial profits not included in the cost valuation services used by the state's contracted appraisers. For rate years beginning on or after July 1, 1989, the rental factor is the amount determined under this paragraph for the rate year beginning July 1, 1988.

(c) [OCCUPANCY FACTOR.] For rate years beginning on or after July 1, 1988, in order to determine property-related payment rates under Minnesota Rules, part 9549.0060, for all nursing homes except those whose average length of stay in a skilled level of care within a nursing home is 180 days or less, the commissioner shall use 95 percent of capacity days. For a nursing home whose average length of stay in a skilled level of care within a nursing home is 180 days or less, the commissioner shall use the greater of resident days or 80 percent of capacity days but in no event shall the divisor exceed 95 percent of capacity days.

(d) [EQUIPMENT ALLOWANCE.] For rate years beginning on July 1, 1988, and July 1, 1989, the commissioner shall add ten cents per resident per day to each nursing home's property-related payment rate. The ten-cent property-related payment rate increase is not cumulative from rate year to rate year. For the rate year beginning July 1, 1990, the commissioner shall increase each nursing home's equipment allowance as established in Minnesota Rules, part 9549.0060, subpart 10, by ten cents per resident per day. For rate years beginning on or after July 1, 1991, the adjusted equipment allowance must be adjusted annually for inflation as in Minnesota Rules, part 9549.0060, subpart 10, item E. For the rate period beginning October 1, 1992, the equipment allowance for each nursing facility shall be increased by 30 percent. For rate years beginning after June 30, 1993, the allowance must be adjusted annually for inflation.

(e) [POST CHAPTER 199 RELATED-ORGANIZATION DEBTS AND INTEREST EXPENSE.] For rate years beginning on or after July 1, 1990, Minnesota Rules, part 9549.0060, subpart 5, item E, shall not apply to outstanding related organization debt incurred prior to May 23, 1983, provided that the debt was an allowable debt under Minnesota Rules, parts 9510.0010 to 9510.0480, the debt is subject to repayment through annual principal payments, and the nursing home demonstrates to the commissioner's satisfaction that



the interest rate on the debt was less than market interest rates for similar arms-length transactions at the time the debt was incurred. If the debt was incurred due to a sale between family members, the nursing home must also demonstrate that the seller no longer participates in the management or operation of the nursing home. Debts meeting the conditions of this paragraph are subject to all other provisions of Minnesota Rules, parts 9549.0010 to 9549.0080.

(f) [BUILDING CAPITAL ALLOWANCE FOR NURSING HOMES WITH OPERATING LEASES.] For rate years beginning on or after July 1, 1990, a nursing home with operating lease costs incurred for the nursing home's buildings shall receive its building capital allowance computed in accordance with Minnesota Rules, part 9549.0060, subpart 8.

Sec. 17. Minnesota Statutes 1990, section 256B.431, subdivision 4, is amended to read:

Subd. 4. [SPECIAL RATES.] (a) For the rate years beginning July 1, 1983, and July 1, 1984, a newly constructed nursing home or one with a capacity increase of 50 percent or more may, upon written application to the commissioner, receive an interim payment rate for reimbursement for property-related costs calculated pursuant to the statutes and rules in effect on May 1, 1983, and for operating costs negotiated by the commissioner based upon the 60th percentile established for the appropriate group under subdivision 2a, to be effective from the first day a medical assistance recipient resides in the home or for the added beds. For newly constructed nursing homes which are not included in the calculation of the 60th percentile for any group, subdivision 2f, the commissioner shall establish by rule procedures for determining interim operating cost payment rates and interim property-related cost payment rates. The interim payment rate shall not be in effect for more than 17 months. The commissioner shall establish, by emergency and permanent rules, procedures for determining the interim rate and for making a retroactive cost settle-up after the first year of operation; the cost settled operating cost per diem shall not exceed 110 percent of the 60th percentile established for the appropriate group. Until procedures determining operating cost payment rates according to mix of resident needs are established, the commissioner shall establish by rule procedures for determining payment rates for nursing homes which provide care under a lesser care level than the level for which the nursing home is certified.

(b) For the rate years beginning on or after July 1, 1985, a newly constructed nursing home or one with a capacity increase of 50 percent or more may, upon written application to the commissioner, receive an interim payment rate for reimbursement for property related costs, operating costs, and real estate taxes and special assessments calculated under rules promulgated by the commissioner.

(c) For rate years beginning on or after July 1, 1983, the commissioner may exclude from a provision of 12 MCAR S 2.050 any facility that is licensed by the commissioner of health only as a boarding care home, certified by the commissioner of health as an intermediate care facility, is licensed by the commissioner of human services under Minnesota Rules, parts 9520.0500 to 9520.0690, and has less than five percent of its licensed boarding care capacity reimbursed by the medical assistance program. Until a permanent rule to establish the payment rates for facilities meeting these criteria is promulgated, the commissioner shall establish the medical assistance payment rate as follows:

(1) The desk audited payment rate in effect on June 30, 1983, remains in effect until the end of the facility's fiscal year. The commissioner shall not allow any amendments to the cost report on which this desk audited payment rate is based.

(2) For each fiscal year beginning between July 1, 1983, and June 30, 1985, the facility's payment rate shall be established by increasing the desk audited operating cost payment rate determined in clause (1) at an annual rate of five percent.

(3) For fiscal years beginning on or after July 1, 1985, but before January 1, 1988, the facility's payment rate shall be established by increasing the facility's payment rate in the facility's prior fiscal year by the increase indicated by the consumer price index for Minneapolis and St. Paul.

(4) For the fiscal year beginning on January 1, 1988, the facility's payment rate must be established using the following method: The commissioner shall divide the real estate taxes and special assessments payable as stated in the facility's current property tax statement by actual resident days to compute a real estate tax and special assessment per diem. Next, the prior year's payment rate must be adjusted by the higher of (1) the percentage change in the consumer price index (CPI-U U.S. city average) as published by the Bureau of Labor Statistics between the previous two Septembers, new series index (1967-100), or (2) 2.5 percent, to determine an adjusted payment rate. The facility's payment rate is the adjusted prior year's payment rate plus the real estate tax and special assessment per diem.

(5) For fiscal years beginning on or after January 1, 1989, the facility's payment rate must be established using the following method: The commissioner shall divide the real estate taxes and special assessments payable as stated in the facility's current property tax statement by actual resident days to compute a real estate tax and special assessment per diem. Next, the prior year's payment rate less the real estate tax and special assessment per diem must be adjusted by the higher of (1) the percentage change in the consumer price index (CPI-U U.S. city average) as published by the Bureau of

Labor Statistics between the previous two Septembers, new series index (1967-100), or (2) 2.5 percent, to determine an adjusted payment rate. The facility's payment rate is the adjusted payment rate plus the real estate tax and special assessment per diem.

(6) For the purpose of establishing payment rates under this paragraph, the facility's rate and reporting years coincide with the facility's fiscal year.

(d) A facility that meets the criteria of paragraph (c) shall submit annual cost reports on forms prescribed by the commissioner.

(e) For the rate year beginning July 1, 1985, each nursing home total payment rate must be effective two calendar months from the first day of the month after the commissioner issues the rate notice to the nursing home. From July 1, 1985, until the total payment rate becomes effective, the commissioner shall make payments to each nursing home at a temporary rate that is the prior rate year's operating cost payment rate increased by 2.6 percent plus the prior rate year's property-related payment rate and the prior rate year's real estate taxes and special assessments payment rate. The commissioner shall retroactively adjust the property-related payment rate and the real estate taxes and special assessments payment rate to July 1, 1985, but must not retroactively adjust the operating cost payment rate.

(f) For the purposes of Minnesota Rules, part 9549.0060, subpart 13, item F, the following types of transactions shall not be considered a sale or reorganization of a provider entity:

- (1) ~~the sale or transfer of a nursing home upon death of an owner;~~
- (2) ~~the sale or transfer of a nursing home due to serious illness or disability of an owner as defined under the social security act;~~
- (3) ~~the sale or transfer of the nursing home upon retirement of an owner at 62 years of age or older;~~
- (4) ~~any transaction in which a partner, owner, or shareholder acquires an interest or share of another partner, owner, or shareholder in a nursing home business provided the acquiring partner, owner, or shareholder has less than 50 percent ownership after the acquisition;~~
- (5) a sale and leaseback to the same licensee which does not constitute a change in facility license;
- (6) (2) a transfer of an interest to a trust;
- (7) (3) gifts or other transfers for no consideration;

~~(8)~~ (4) a merger of two or more related organizations;

~~(9)~~ a transfer of interest in a facility held in receivership;

~~(10)~~ (5) a change in the legal form of doing business other than a publicly held organization which becomes privately held or vice versa; or

~~(11)~~ (6) the addition of a new partner, owner, or shareholder who owns less than 20 percent of the nursing home or the issuance of stock; ~~or~~

~~(12)~~ an involuntary transfer including foreclosure, bankruptcy, or assignment for the benefit of creditors.

Any increase in allowable debt or allowable interest expense or other cost incurred as a result of the foregoing transactions shall be a nonallowable cost for purposes of reimbursement under Minnesota Rules, parts 9549.0010 to 9549.0080.

(g) Upon receiving a recommendation from the commissioner of health for a review of rates under section 144A.15, subdivision 6, the commissioner may grant an adjustment to the nursing home's payment rate. The commissioner shall review the recommendation of the commissioner of health, together with the nursing home's cost report to determine whether or not the deficiency or need can be corrected or met by reallocating nursing home staff, costs, revenues, or other resources including any investments, efficiency incentives, or allowances. If the commissioner determines that the deficiency cannot be corrected or the need cannot be met, the commissioner shall determine the payment rate adjustment by dividing the additional annual costs established during the commissioner's review by the nursing home's actual resident days from the most recent desk-audited cost report. The payment rate adjustment must meet the conditions in section 256B.47, subdivision 2, and shall remain in effect until the receivership under section 144A.15 ends, or until another date the commissioner sets.

Upon the subsequent sale or transfer of the nursing home, the commissioner may recover amounts paid through payment rate adjustments under this paragraph. The buyer or transferee shall repay this amount to the commissioner within 60 days after the commissioner notifies the buyer or transferee of the obligation to repay. The buyer or transferee must also repay the private-pay resident the amount the private-pay resident paid through payment rate adjustment.

Sec. 18. Minnesota Statutes 1990, section 256B.431, is amended by adding a subdivision to read:

Subd. 9a. [ONE-TIME ADJUSTMENT FOR 21-MONTH FACTOR.] For the rate period beginning October 1, 1992, the 21-month inflation factor for operating costs shall be increased by .7 percent.

Sec. 19. [256B.4311] [NURSING FACILITY PROPERTY REIMBURSEMENT.]

Subdivision 1. [AUTHORITY.] The commissioner shall establish nursing facility property-related payment rates for nursing facilities certified under the medical assistance program for the rate period beginning October 1, 1992, and for rate years beginning after June 30, 1992, according to the provisions of this section.

Subd. 2. [DEFINITIONS.] For purposes of this section, the following terms shall have the meaning given to them.

Subd. 2a. [ADDITION.] "Addition" means an extension, enlargement, or expansion of the nursing facility for the purpose of increasing the number of licensed beds or improving resident care.

Subd. 2b. [APPRAISED VALUE.] "Appraised value" means the value of the nursing facility buildings, attached fixtures, and land improvements used directly for resident care.

Subd. 2c. [ATTACHED FIXTURES.] "Attached fixtures" means equipment used directly for resident care affixed to the building and not easily movable as specified in the fixed equipment table of the depreciation guidelines.

Subd. 2d. [BUILDINGS.] "Buildings" means the physical plant used directly for resident care and licensed under sections 144.50 to 144.56 or chapter 144A, and auxiliary buildings in the nature of sheds, garages, and storage buildings located on site if used directly for resident care. This definition does not include buildings or portions of buildings used by central, affiliated, or corporate offices.

Subd. 2e. [CAPITAL ASSETS.] "Capital assets" means a nursing facility's buildings, attached fixtures, land improvements, leasehold improvements, and all additions to or replacements of those assets used directly for resident care.

Subd. 2f. [COMMENCED CONSTRUCTION.] "Commenced construction" means the date on which a newly constructed nursing facility, or nursing facility with an increase in licensed beds of 50 percent or more, meets all the following conditions.

(a) The final working drawings and specifications were approved by the commissioner of health.

(b) The construction contracts were let.

(c) A timely construction schedule was developed stipulating dates for beginning, achieving various stages, and completing construction.

(d) All zoning and building permits have been issued.

(e) Financing for the project was secured as evidenced by the issuance of a binding letter of commitment by the financial institution, sale of bonds, or other similarly binding agreements.

Subd. 2g. [DELETION.] "Deletion" means the sale, destruction, or dismantling of a nursing facility capital asset or a portion of a nursing facility capital asset without subsequent replacement.

Subd. 2h. [DEPARTMENT.] "Department" means the Minnesota department of human services.

Subd. 2i. [DEPRECIATED REPLACEMENT COST METHOD.] "Depreciated replacement cost method" means the method of property appraisal which determines the value of a capital asset by establishing the replacement cost new reduced by depreciation.

Subd. 2j. [REPLACEMENT COST NEW.] "Replacement cost new" means the amount required to obtain a new asset of equivalent utility to that which exists, but built at current prices, with modern materials and according to current standards, designs, and layout.

Subd. 2k. [DEPRECIATION.] "Depreciation" as pertains to property appraisals, means a loss of utility and value caused by deterioration or physical depreciation such as wear and tear, decay, dry rot, cracks, encrustations, or structural defects; and functional obsolescence such as poor plan, mechanical inadequacy or overadequacy, and functional inadequacy or overadequacy due to size, style, or age.

Subd. 2l. [DEPRECIABLE EQUIPMENT.] "Depreciable equipment" means the standard movable care equipment and support service equipment generally used in nursing facilities. Depreciable equipment includes that equipment specified in the major movable equipment table of the depreciation guidelines.

Subd. 2m. [DEPRECIATION GUIDELINES.] "Depreciation guidelines" means the most current version of "The Estimated Useful Lives of Depreciable Hospital Assets," issued by the American Hospital Association. Except as provided in Minnesota Rules, part 9549.0030, subpart 4, useful life in the depreciation guidelines must not be used in the determination of the total payment rate.

Subd. 2n. [EQUIPMENT ALLOWANCE.] "Equipment allowance" means that component of the property-related payment rate which is denominated as a payment for the use of depreciable equipment.

Subd. 2o. [LAND IMPROVEMENT.] "Land improvement" means an improvement to the land surrounding the nursing facility directly used for resident care as specified in the land improvements table of the depreciation guidelines, if replacement of the land improvement is the responsibility of the nursing facility.

Subd. 2p. [NOMINAL LEASE.] "Nominal lease" means a lease which meets the following conditions:

(1) the annual lease payment compared to the rental value of the physical plant and the depreciable equipment is a nominal amount, usually \$1 per year;

(2) the length of the lease, including renewal provisions, reflects the intent of the lessor and lessee to lease the physical plant and depreciable equipment for the remainder of their useful lives;

(3) the lease agreement imposes a duty upon the lessee to make improvements and to properly maintain the nursing facility;

(4) the lease agreement has no restrictions on the free use of the nursing facility by the lessee other than it must be used as a licensed nursing facility;

(5) the lease agreement is not between related organizations; and

(6) the lease agreement must not require the furnishing of any indirect benefits to the lessor.

Subd. 2q. [REPAIR.] "Repair" means the cost of labor and materials needed to restore an existing capital asset to sound condition after damage or malfunction or to maintain an existing capital asset in a usable condition.

Subd. 2r. [REPLACEMENT.] "Replacement" means a renovation or substitution of an existing capital asset to improve function or extend useful life.

Subd. 2s. [USEFUL LIFE.] "Useful life" means the length of time an asset is expected to provide economic service before needing replacement.

Subd. 3. [ALLOWABLE CAPITAL ASSETS.] The nursing facility's allowable capital assets shall be determined as follows.

(a) The nursing facility must classify capital assets and depreciable equipment using the depreciation guidelines. The commissioner shall use the nursing facility's capital assets as adjusted by the department using the depreciation guidelines, plus capital asset additions and minus capital asset deletions.

(b) The total amount of capital assets in paragraph (a) must be subject annually to the replacement cost per bed limits in subdivision 6, paragraph (a), as computed in subdivision 6, paragraph (b). The nursing facility's allowable capital assets is the lesser of those two amounts.

(c) If the nursing facility's capital assets is leased with an arms-length operating lease, the commissioner must compute the present value of the lease. For the purpose of computing the present value of the lease, the commissioner must apply the following conditions:

(1) the term of the lease, including option periods, must not be less than 20 years;

(2) the maximum interest rate used in determining the present value must not exceed the lesser of the interest rate limitation in subdivision 4a, paragraph (b), or 15 percent; and

(3) the residual value used in determining the present value of the lease must be 20 percent of the lessor's capital assets leased.

(d) A nonprofit nursing facility must first use restricted funds, then capital asset replacement funds in subdivision 8 to purchase or replace capital assets to the extent of the cost of those capital assets before it borrows funds for the purchase or replacement of those capital assets. For purposes of this subdivision and Minnesota Rules, part 9549.0035, subpart 2, a restricted fund is a fund for which use is restricted to the purchase or replacement of capital assets by the donor or by the nonprofit nursing facility's board.

(e) Construction period interest expense must be capitalized as a part of the cost of the building. The period of construction extends to the earlier of either the first day a resident is admitted to the nursing facility or the date the nursing facility is certified to receive medical assistance recipients.

(f) A nursing facility whose capital assets are leased with a nominal lease shall have that lease capitalized under generally accepted accounting principles as between related organizations.

Subd. 3a. [CAPITALIZATION.] The cost of purchasing or repairing capital assets shall be capitalized under paragraphs (a) to (e).

(a) The cost of purchasing a capital asset listed in the depreciation guidelines must be capitalized. The cost of purchasing any other capital asset not included in the depreciation guidelines must be capitalized if the asset has a useful life of more than two years and costs more than \$500. In no case shall a capital asset or piece of equipment costing less than \$200 be capitalized.



(b) The nursing facility may consider as an expense a repair that costs \$500 or less. Repairs that are considered as an expense must be classified in the plant operation and maintenance cost category. If the cost of a repair to a capital asset is \$500 or more, and the estimated useful life of the capital asset is extended beyond its original estimated useful life by at least two years, or if the productivity of the capital asset is increased significantly over original productivity, then the cost of the repair must be capitalized.

(c) The property-related expenditures related to capital assets such as lease or depreciation, interest, and real estate taxes which are used by central, affiliated, or corporate offices must be classified in the nursing facility's general and administrative cost category.

(d) Construction period interest expense, feasibility studies, and other costs related to the construction period must be capitalized.

(e) The commissioner shall allow as an expense in the reporting year of occurrence the lesser of the actual allowable plant and maintenance costs for supplies, minor equipment, equipment repairs, building repairs, purchased services and service contracts, except for arms-length service contracts whose primary purpose is supervision, or \$325 per licensed bed.

Subd. 4. [ALLOWABLE DEBT.] For purposes of determining the property-related payment rate, the commissioner shall allow or disallow debt according to paragraphs (a) to (e), and subdivision 4a.

(a) Debt shall be limited as follows:

(1) debt incurred for the purchase of land directly used for resident care and the purchase or construction of nursing facility buildings, attached fixtures, or land improvements or the capitalized replacement or capitalized repair of existing buildings, attached fixtures, or land improvements shall be allowed. Debt incurred for any other purpose shall not be allowed;

(2) working capital debt shall not be allowed;

(3) an increase in the amount of a debt as a result of refinancing of capital assets which occurs after May 22, 1983, shall not be allowed except to the extent permitted by this subdivision and subdivision 4a, and to the extent that the increase in debt is the result of refinancing costs such as points, loan origination fees, or title searches. The total interest expense must be computed as the sum of the annual interest expense over the remaining term of the debt refinanced. Increases in total interest expense which result from refinancing a balloon payment on allowable debt after May 22, 1983, shall be allowed according to items (i) to (iii):

(i) the interest rate on the refinanced debt shall be limited under subdivision 4a, paragraphs (b) and (c);

(ii) the refinanced debt shall not exceed the balloon payment; and

(iii) the term of the refinanced debt must not exceed the term of the original debt computed as though the balloon payment did not exist;

(4) an increase in the amount of total outstanding debt incurred after May 22, 1983, as a result of a sale, change in ownership, or reorganization of provider entities, shall not be allowed except as provided in subdivision 9;

(5) any portion of the total allowable debt exceeding the appraised value as determined in subdivision 3 shall not be allowed; and

(6) any portion of a debt of which the proceeds exceed the historical cost of the capital asset acquired at the time of purchase shall not be allowed. If the debt includes financing costs which are financed, the debt on the financing costs must not exceed ten percent of the cost of those capital assets acquired.

(b) The nursing facility must apportion debts incurred before October 1, 1984, among land and buildings, attached fixtures, land improvements, depreciable equipment, and working capital by direct identification. If direct identification of any part of the debt is not possible, that portion of the debt which cannot be directly identified shall be apportioned to each component, except working capital debt, based on the ratio of the historical cost of the component to the total historical cost of all components. The portion of debt assigned to land and buildings, attached fixtures, and land improvements is allowable debt.

A hospital-attached nursing facility that has debts that are not directly identifiable to the hospital or the nursing facility shall allocate the portion of allowable debt computed according to this subdivision to land and buildings, attached fixtures, and land improvements using the Medicare step-down method described in subdivision 10.

(c) The nursing facility shall directly identify the proceeds of the debt associated with specific land and buildings, attached fixtures, and land improvements, and keep records that separate such debt proceeds from all other debt. Only the debt identified with specific land and buildings, attached fixtures, and land improvements shall be allowed.

(d) The total amount of allowable debt shall be the sum of all allowable debts at the beginning of the reporting year plus all

allowable debts at the end of the reporting year divided by two. Nursing facilities which have a debt with a zero balance at the beginning or end of the reporting year must use a monthly average for the reporting year.

(e) Except as otherwise permitted by laws in effect prior to the enactment of this section, debt incurred as a result of loans between related organizations must not be allowed.

Subd. 4a. [ADDITIONAL ALLOWABLE DEBT CONDITIONS.] Additional conditions and limitations for debts entered into after September 30, 1992, are as follows.

(a) The term over which the debt is to be amortized must not be less than 20 years.

(b) The maximum interest rate is the lesser of two percentage points above the posted yield for standard conventional fixed rate mortgages of the Federal Home Loan Mortgage Corporation as published in the Wall Street Journal and in effect on the first day of the month in which the debt is incurred, or 16 percent. For each allowable debt with a variable or adjustable rate, the effective interest rate must be computed by dividing the interest expense for the reporting year by the average allowable debt computed under subdivision 4, paragraph (d).

(c) A nursing facility with an amortization schedule of less than 20 years or a nursing facility with debt which has a balloon payment within 20 years of the date the debt was entered into may refinance debt with an amortization schedule that does not exceed 25 years in the aggregate.

(d) A nursing facility which refinances debt during a reporting year beginning after June 30, 1992, in order to achieve a savings in total remaining principal and interest expense payments shall receive as an incentive prior annual principal and interest expense payment for the current rate year and for the three consecutive rate years following the refinancing.

(e) Debt incurred for the acquisition of capital assets must not exceed 80 percent of the allowable cost of the capital assets acquired.

Subd. 5. [ALLOWABLE PRINCIPAL EXPENSE.] Allowable principal expense shall be determined by applying the proportion of nursing facility debt that is allowed by the commissioner under subdivision 4 to the required annual principal payments.

Subd. 5a. [ALLOWABLE INTEREST EXPENSE.] Allowable interest expense shall be determined by applying the proportion of

nursing facility debt that is allowed by the commissioner under subdivision 4 to the required annual interest expense.

Subd. 6. [REPLACEMENT COST NEW INVESTMENT PER BED LIMITS; COMPUTATION OF THE MAXIMUM ALLOWABLE REPLACEMENT COST NEW AND ALLOWABLE APPRAISED VALUE.] The nursing facility's appraised values in subdivision 10 shall be limited as in paragraphs (a) to (f). The maximum allowable replacement cost new is computed in paragraph (b).

(a) Effective January 1, 1992, the replacement cost new per bed limit for single bed rooms and multiple bed rooms shall be \$71,250 and \$47,500, respectively. Beginning January 1, 1993, and each January 1 thereafter, the commissioner shall index these limits annually by percentage change in the Bureau of the Census: Composite Fixed-weighted Price Index as published in the Survey of Current Business.

(b) Each nursing facility's maximum allowable replacement cost new is determined annually according to the following:

(1) the multiple bed room replacement cost new per bed limit in paragraph (a) must be multiplied by the number of licensed beds in multiple bed rooms;

(2) the single bed room replacement cost new per bed limit in paragraph (a) must be multiplied by the number of licensed beds in single bed rooms except as provided in subdivision 11, paragraph (c), clause (2); and

(3) the nursing facility's maximum allowable replacement cost new is the sum of clauses (1) and (2).

(c) The nursing facility's replacement cost new determined in paragraph (b) must be reduced by the replacement cost new of portions of the nursing facility used for functions whose costs are not allowable under this section and Minnesota Rules, parts 9549.0010 to 9549.0080.

(d) The adjusted replacement cost new is the lesser of paragraph (b) or (c).

(e) The adjusted depreciation is determined by subtracting from the depreciation in subdivision 10, the amount of depreciation, if any, related to the portion of the nursing facility's replacement cost new disallowed in paragraph (c) or (d).

(f) The nursing facility's allowable appraised value is determined by subtracting the amount determined in paragraph (e) from the amount in paragraph (d). If no adjustment to the replacement cost

new is required in paragraphs (c) and (d), then the nursing facility's allowable appraised value is the appraised value determined in subdivision 10.

Subd. 7. [EQUIPMENT ALLOWANCE.] The equipment allowance for each nursing facility shall be its equipment allowance in effect for the rate year ending June 30, 1992, increased by eight percent.

Subd. 8. [CAPITAL ASSET REPLACEMENT FUND.] Provisions governing the computation, distribution, indexing, and restrictions of the capital asset replacement fund are as follows.

(a) The commissioner shall establish the maximum capital asset replacement fund factor at 3.6 percent.

(b) The commissioner shall annually determine for each nursing facility a distribution factor as follows:

(1) each nursing facility's age component shall be established by dividing appraisal depreciation component by replacement cost new;

(2) each nursing facility's equity component shall be established by subtracting allowable debt from appraised value and dividing the result by appraised value; and

(3) each nursing facility's age component and equity component must be added together and divided by two to establish the distribution factor.

(c) For rate years beginning after June 30, 1993, the commissioner shall index or adjust the various components of the distribution factor as follows:

(1) nursing facilities eligible for a special reappraisal under subdivision 10 shall have their distribution factor components reestablished according to those provisions; and

(2) nursing facilities not eligible for special reappraisals shall have their distribution factor components indexed or adjusted as follows:

(i) the replacement cost new portion of the appraised value for each nursing facility must be indexed annually by the same index used to adjust the replacement cost new limit in subdivision 6, paragraph (a);

(ii) the depreciation component of the appraised value for each nursing facility must be increased annually determined by multiplying its replacement cost new as adjusted in item (i) by 1.43 percent; and

(iii) each nursing facility's appraised value shall be the amount determined in clause (1), if appropriate, or item (i) minus item (ii).

(d) The commissioner shall determine the capital asset replacement fund per diem by multiplying each nursing facility's replacement cost new, by the maximum capital asset replacement fund factor, and by the distribution factor, and dividing the result by capacity days as determined under subdivision 11. The minimum capital asset replacement fund per diem shall be 80 cents.

(e) Capital asset replacement fund restrictions shall be as follows:

(1) capital asset replacement fund payments must be invested in liquid marketable investments such as savings or money market accounts, certificates of deposit, and United States treasury bills;

(2) capital asset replacement funds and interest income earned on these funds must be used for the purchase or replacement of leasehold improvements, buildings, attached fixtures, and land improvements, or payment of capitalized repairs on these same assets for the nursing facility. If the nursing facility has principal and interest expense payments from debts incurred prior to September 30, 1992, which are nonallowable but are related to the nursing facility's capital assets, the nursing facility may use up to 50 percent of the annual capital asset replacement fund payment to cover these expenses;

(3) a separate capital asset replacement account must be maintained for each nursing facility;

(4) the capital asset replacement fund and any interest accrued and money earned on the fund shall remain the property of the nursing facility regardless of sale, transfer, change of ownership, dissolution, receivership, bankruptcy, merger, consolidation, or reorganization. If the nursing facility closes or otherwise ceases operations as a nursing facility under the medical assistance program, any capital asset replacement funds including interest accrued and money earned on the fund must be returned to the state; and

(5) a nursing facility which does not deposit the amount earned during the reporting year in the capital asset replacement fund account by the end of the reporting year will have payment rates reduced by five percent until the nursing facility demonstrates compliance with this requirement to the satisfaction of the commissioner. If the nursing facility complies, the commissioner shall retroactively reinstate the payment rates.

Subd. 9. [LIMITATIONS ON SALES OF NURSING FACILITIES.] For the rate period beginning October 1, 1992, and for rate years

beginning after June 30, 1993, a nursing facility's property-related payment rate may be adjusted for the sale of the nursing facility which occurs after September 30, 1992, as provided in paragraphs (a) to (d). For purposes of this subdivision, the term "sale" means the purchase of a nursing facility's capital assets with cash or debt. The term sale does not include a stock purchase of a nursing facility, or any of the transactions described in section 256B.431, subdivision 4, paragraph (f). For purposes of this subdivision, the term "effective date of sale" means the later of the date on which legal title to the capital assets is transferred or the date on which closing for the sale occurred.

(a) The commissioner shall limit the debt and related principal and interest expense to:

(1) the allowable historical cost of capital assets since the nursing facility's previous effective date of sale or the nursing facility's initial cost of constructing capital assets;

(2) plus allowable capital asset additions and minus allowable capital asset deletions; and

(3) plus one-third of the allowed inflation on the nursing facility's allowable capital assets. The commissioner shall compute the allowed inflation as described in paragraph (c). The inflation in paragraph (c), clause (1), shall be computed from the month following the date of the prior sale to the month preceding the sale to be recognized under this subdivision. The inflation in paragraph (c), clause (2), shall be computed on the average capital assets acquired in each reporting year.

(b) In addition to the limit in paragraph (a), the commissioner shall limit the maximum amount of debt to 90 percent of the amount determined in paragraph (a).

(c) For purposes of computing the amount of allowed inflation, the commissioner must apply the following principles:

(1) the lesser of the Consumer Price Index for All Urban Consumers or the Dodge Construction Systems Cost for Nursing Homes Index must be used. If the Dodge Construction Index becomes unavailable, the commissioner shall substitute the index in section 256B.431, subdivision 3f, or other index as the secretary of the health care financing administration may designate;

(2) the amount of allowed inflation to be applied to the capital assets in paragraph (a), clauses (1) and (2), must be computed separately;

(3) the amount of allowed inflation must be determined on an annual basis, prorated for partial years;

(4) the amount of allowed inflation to be applied to the capital assets in paragraph (a), clauses (1) and (2), must not exceed 500 percent on any group of capital assets; and

(5) must be computed starting with the nursing facility's most recent previous effective date of sale or, if there has been no previous sale, the date of the nursing facility's initial cost of constructing capital assets, and ending with the effective date of sale.

(d) In order for the debt, principal, and interest expense on a sale to be allowed under this section, the nursing facility's historical cost of capital assets must be classified or reclassified using the depreciation guidelines.

Subd. 10. [APPRAISALS AND SPECIAL REAPPRAISALS.] The commissioner shall contract with a property appraisal firm which shall use the depreciated replacement cost method to determine the appraised value of a nursing facility participating in the medical assistance program. Appraisals and special reappraisals shall be conducted by the property appraisal firm under contract with the commissioner as necessary to implement provisions of this section. The appraised value of each nursing facility and any subsequent reappraisal under this subdivision must be limited to the value of buildings, attached fixtures, and land improvements used by the nursing facility and must be subject to the limits in subdivision 6.

For hospital attached nursing facilities, the commissioner shall require the appraisal of those portions of buildings, attached fixtures, and land improvements in service areas shared between the nursing facility and the hospital. The appraised value of the shared service areas must be allocated between the nursing facility and the hospital or other nonnursing facility areas using the Medicare worksheet B-1 statistics in effect on September 30, 1984. The appraised value of the shared service areas must be allocated by step-down placing the appraised values on the appropriate line of column 1 on the Medicare worksheet B. The appraised value of the shared service areas allocated to the nursing facility shall be added to the appraised value of the nursing facility's buildings, attached fixtures, and land improvements.

Special reappraisals are subject to the following requirements.

(a) A nursing facility which makes an addition to or replacement of buildings, attached fixtures, or land improvements may request the commissioner to conduct a reappraisal upon project completion. A special reappraisal request must be submitted to the commissioner within 60 days after the project's completion date to be considered eligible for a special reappraisal. If a project has multiple



completion dates or involves multiple projects, only projects or parts of projects with completion dates within one year of the completion date associated with a special reappraisal request can be included for the purpose of establishing the nursing facility's eligibility for a special reappraisal. Upon receipt of a written request, the commissioner shall conduct a reappraisal within 60 days provided that all conditions of this paragraph are met.

The total historical cost of the addition or replacement, exclusive of the proceeds from disposals of capital assets or applicable credits such as public grants and insurance proceeds, must exceed the lesser of \$200,000 or ten percent of the most recent allowable appraised value determined under subdivision 6. The addition or replacement must be completed and a certificate of occupancy issued, or if a certificate of occupancy is not required, the addition or replacement must be available for use. Special reappraisals under this paragraph are limited to one per 12-month period.

(b) A nursing facility which retires buildings, attached fixtures, land improvements, or portions thereof without replacement, shall report the deletion to the commissioner within 30 days if the historical cost of the deletion exceeds \$200,000. The commissioner shall conduct a reappraisal of the nursing facility to establish the new appraised value and adjust the property-related payment rate accordingly.

(c) The adjusted property-related payment rate computed as a result of reappraisals in paragraphs (a) and (b) is effective on the first day of the month following the month in which the addition or replacement was completed or when the deletion occurred.

(d) The commissioner may require the reappraisal of a nursing facility within 60 days of receipt of information provided by the Minnesota department of health regarding the violation of standards and rules relating to the condition of capital assets.

Subd. 11. [CAPACITY DAYS.] The number of capacity days is determined as follows.

(a) The number of capacity days is determined by multiplying the number of licensed beds in the nursing facility by the number of days in the nursing facility's reporting period.

(b) Except as in paragraph (c), nursing facilities shall increase the number of capacity days by multiplying the number of licensed single bed rooms by 0.5 and by the number of days in the nursing facility's reporting period.

(c) The commissioner shall waive the requirements of paragraph (b) if a nursing facility agrees in writing to:

(1) the nursing facility shall agree not to request a private room payment in Minnesota Rules, part 9549.0070, subpart 3, for any medical assistance residents in licensed single bed rooms;

(2) the nursing facility shall agree not to use the single bed room replacement cost new limit for any of licensed single bed rooms in the computation of the allowable appraised value in subdivision 6; and

(3) the nursing facility shall agree not to charge any private paying resident in a single bed room a payment rate that exceeds the amount calculated under items (i) to (iii):

(i) the nursing facility's average total payment rate shall be determined by multiplying the total payment rate for each case mix resident class by the number of resident days for that class in the nursing facility's reporting year and dividing the sum of the resident class amounts by the total number of resident days in the nursing facility's reporting year;

(ii) the nursing facility's maximum single bed room adjustment must be determined by multiplying average total payment rate calculated under item (i) by ten percent; and

(iii) the nursing facility's single bed room adjustment which must not exceed the amount computed in item (ii) must be added to each total payment rate established by the commissioner to determine the nursing facility's single bed room payment rates.

(d) Except as in paragraph (e), the amount determined in paragraphs (a) to (c) must be multiplied by 0.95.

(e) If the average length of stay in a nursing facility is 180 days or less, the nursing facility capacity days shall be the greater of resident days or 80 percent of the amount determined in paragraphs (a) to (c), but in no event shall the divisor exceed 95 percent of the amount determined in paragraphs (a) to (c). For purposes of this subdivision, the nursing facility shall compute the average length of stay by dividing resident days for the reporting year by total discharges for that reporting year.

Subd. 12. [DETERMINATION OF PROPERTY-RELATED PAYMENT RATES; ARMS-LENGTH LEASES.] The commissioner shall compute the property-related payment rate for nursing facilities with an arms-length lease on the nursing facility's capital assets by adding together the following per diems:

(1) the nursing facility's allowable annual arms-length lease payment for capital assets plus the nursing facility's allowable annual principal and interest expense payments on leasehold im-

provements must be divided by their capacity days as determined under subdivision 11, to determine the principal and interest expense per diem; and

(2) the equipment allowance per diem as determined in subdivision 7.

Subd. 13. [DETERMINATION OF PROPERTY-RELATED PAYMENT RATES; NON-ARMS-LENGTH LEASES.] The commissioner shall compute the property-related payment rate for nursing facilities without an arms-length lease by adding together the following per diems:

(1) the nursing facility's allowable annual principal and interest expense payments must be divided by their capacity days as determined under subdivision 11, to determine the principal and interest expense per diem;

(2) a return on investment per diem of 45 cents;

(3) the capital asset replacement fund per diem as determined in subdivision 8, paragraph (d); and

(4) the equipment allowance per diem as determined in subdivision 7.

Subd. 14. [ARMS-LENGTH LEASES.] Leases or rental agreements shall be considered arms-length transactions unless the lease or rental agreement:

(1) results from sale and lease-back arrangements;

(2) results from a lease with option to buy at less than anticipated value;

(3) is paid to a related organization; or

(4) for other reasons is required to be capitalized in accordance with generally accepted accounting principles.

A nominal lease is not an arms-length lease.

Subd. 15. [DETERMINATION OF INTERIM AND SETTLE-UP PAYMENT RATES.] The commissioner shall determine interim and settle-up payment rates under this section and Minnesota Rules, parts 9549.0010 to 9549.0080.

Sec. 20. Minnesota Statutes 1990, section 256B.48, subdivision 1b, is amended to read:

Subd. 1b. [EXCEPTION.] Notwithstanding any agreement between a nursing home and the department of human services or the provisions of this section or section 256B.411, other than subdivision 1a, the commissioner may authorize continued medical assistance payments to a nursing home which ceased intake of medical assistance recipients prior to July 1, 1983, and which charges private paying residents rates that exceed those permitted by subdivision 1, paragraph (a), for (i) residents who resided in the nursing home before July 1, 1983, or (ii) residents for whom the commissioner or any predecessors of the commissioner granted a permanent individual waiver prior to October 1, 1983. Nursing homes seeking continued medical assistance payments under this subdivision shall make the reports required under subdivision 2, except that on or after December 31, 1985, the financial statements required need not be audited by or contain the opinion of a certified public accountant or licensed public accountant, but need only be reviewed by a certified public accountant or licensed public accountant. In the event that the state is determined by the federal government to be no longer eligible for the federal share of medical assistance payments made to a nursing home under this subdivision, the commissioner may cease medical assistance payments, under this subdivision, to that nursing home. Between October 1, 1992 and July 1, 1993, a facility governed by this subdivision may elect to resume full participation in the medical assistance program by agreeing to comply with all of the requirements of the medical assistance program, including the rate equalization law in subdivision 1, paragraph (a), and all other requirements established in law or rule, and to resume intake of new medical assistance recipients.

Sec. 21. Minnesota Statutes 1990, section 256B.48, is amended by adding a subdivision to read:

Subd. 9. [MEDICAL ASSISTANCE PARTICIPATION FOR CERTAIN FACILITIES.] An agreement entered into between a nursing facility and the commissioner of human services that limits the number of residents that will be reimbursed under the medical assistance program as a condition of allowing additional beds to be certified under section 144A.071, subdivision 3a, terminates effective October 1, 1992.

Sec. 22. Minnesota Statutes 1991 Supplement, section 256B.74, subdivision 1, is amended to read:

Subdivision 1. [HOSPITAL REIMBURSEMENT.] (a) Effective for admissions occurring on or after July 1, 1991, the commissioner shall make an indigent care payment to Minnesota and local trade area hospitals except facilities of the federal Indian Health Service and regional treatment centers, in addition to all other payment to hospitals for inpatient services. The indigent care payment shall be ten percent of the amount of medical assistance payments issued to that provider for inpatient services in a given calendar quarter or

month, excluding indigent care payments paid under this section, divided by the number of related admissions, or patient days if applicable, and multiplying the result by 111 percent. The indigent care payment is added to each admission, or patient day if applicable, occurring (1) in the second calendar quarter beginning after the quarter on which the September 15, 1991, indigent care payment amount is based and (2) in the month beginning six months after the month on which the subsequent monthly indigent care payment amount is based. Medicare crossovers are excluded from indigent care payments and from the payments and admissions on which the indigent care payment is based. The commissioner may issue indigent care payments as disproportionate population adjustments for eligible hospitals.

(b) Effective for services rendered on or after July 1, 1991, the commissioner shall reimburse outpatient hospital facility fees at 80 percent of calendar year 1990 submitted charges, not to exceed the Medicare upper payment limit. Services excepted from this payment methodology are emergency room facility fees, clinic facility fees, and those services for which there is a federal maximum allowable payment.

Sec. 23. Minnesota Statutes 1991 Supplement, section 256B.74, subdivision 3, is amended to read:

Subd. 3. [NURSING FACILITY REIMBURSEMENT.] For rate years beginning on or after July 1, 1991, the commissioner shall reimburse nursing facilities participating in the medical assistance program as follows:

(1) a capital allowance of \$1.44 per resident day shall be paid. For a licensed provider with an operating lease on the nursing facility, the capital equipment allowance shall not be the property of the lessor but shall be the property of the licensed provider for the duration of the operating lease or any renewal or extension of the operating lease; and

(2) the maximum efficiency incentive per diem payment established annually under section 256B.431, subdivision 2b, paragraph (d), shall be increased to \$2.10 effective July 1, 1991, and \$2.20 effective July 1, 1992.

Sec. 24. [HOSPITAL OUTPATIENT REIMBURSEMENT.]

For services rendered on or after October 1, 1992, the commissioner of human services shall increase hospital outpatient rates by ten percent over the rates in effect on September 30, 1992, provided that no rate shall exceed the upper payment limit established by Medicare.

## Sec. 25. [COMMISSIONER'S DUTIES.]

The commissioner of human services shall report to the legislature quarterly on the first day of January, April, July, and October regarding the provider surcharge program. The report shall include information on total billings, total collections, and administrative expenditures. The report on January 1, 1993, shall include information on all surcharge billings, collections, federal matching payments received, efforts to collect unpaid amounts, and administrative costs pertaining to the surcharge program in effect from July 1, 1991 to September 30, 1992. The commissioner shall report when submitting the budget forecast regarding any changes in the amount of the nursing home surcharge needed to ensure that collections continue at the level anticipated for fiscal year 1993. The commissioner shall continue to track and report separately any provider reimbursement increases or other payments authorized in Laws 1992, chapter 292, article 4, and under sections 1 to 12, 15, 16, 18, and 20 to 24. The commissioner shall request the Minnesota congressional delegation to support a change in federal law that would prohibit federal disallowances for any state that makes a good faith effort to comply with Public Law Number 91-234 by enacting conforming legislation prior to the issuance of federal implementing regulations.

## Sec. 26. [REPEALER.]

(a) Minnesota Statutes 1991 Supplement, sections 256.9657, subdivision 5; and 256B.74, subdivisions 8 and 9; and Laws 1991, chapter 292, article 4, section 77, are repealed.

(b) Minnesota Rules, part 9549.0060, subparts 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, and 13, are repealed.

(c) Minnesota Statutes 1990, section 256B.431, subdivisions 3, 3a, 3b, 3c, 3d, 3g, 3h, 3i, and 3j; and Minnesota Statutes 1991 Supplement, section 256B.431, subdivision 3f, are repealed.

## Sec. 27. [EFFECTIVE DATE.]

Sections 1 to 12, 15, 16, 18, 20 to 25, and 26, paragraph (a) are effective October 1, 1992, except that if Congress delays the effective date specified in Public Law Number 102-234, the Medicaid Voluntary Contribution and Provider-Specific Tax Amendments of 1991, section 2(a)(w)(1)(F), the effective date of this act is delayed until the latest possible date permitted by federal law."

Delete the title and insert:

"A bill for an act relating to human services; expanding provider surcharges to include providers not participating in the medical

assistance program; modifying provider reimbursement rates; establishing nursing facility property reimbursement; amending Minnesota Statutes 1990, sections 256B.41, subdivision 2; 256B.421, subdivision 1; 256B.431, subdivisions 2i, 4, and by adding a subdivision; and 256B.48, subdivisions 1b, and by adding a subdivision; Minnesota Statutes 1991 Supplement, sections 144A.071, subdivisions 3 and 3a; 256.9656; 256.9657, subdivisions 1, 2, 3, 4, 7, and by adding a subdivision; 256.969, subdivisions 1, 9, and 20; 256B.431, subdivision 3f; and 256B.74, subdivisions 1 and 3; proposing coding for new law in Minnesota Statutes, chapter 256B; repealing Minnesota Statutes 1990, sections 256B.431, subdivisions 3, 3a, 3b, 3c, 3d, 3g, 3h, 3i, and 3j; Minnesota Statutes 1991 Supplement, sections 256.9657, subdivision 5; 256B.431, subdivision 3f; and 256B.74, subdivisions 8 and 9; Laws 1991, chapter 292, article 4, section 77; Minnesota Rules, part 9549.0060, subparts 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, and 13."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 2885, A bill for an act relating to agriculture; making political subdivisions of the state eligible for reimbursement from the agricultural chemical response and reimbursement account; amending Minnesota Statutes 1990, section 18E.02, subdivision 5.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Appropriations without further recommendation.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

S. F. No. 1399, A bill for an act relating to utilities; determining when reconciliation of actual assessments to public utilities and telephone companies must be completed; amending Minnesota Statutes 1990, sections 216B.62, subdivision 3; and 237.295, subdivision 2.

Reported the same back with the following amendments:

Page 1, after line 7, insert:

“Section 1. Minnesota Statutes 1990, section 216B.045, subdivision 1, is amended to read:

Subdivision 1. [DEFINITION.] For the purposes of this section “intrastate pipeline” means a pipeline wholly within the state of Minnesota which transports or delivers natural gas received from another person at a point inside or at the border of the state, which is delivered at a point within the state to another, provided that all the natural gas is consumed within the state. An intrastate pipeline does not include a pipeline owned or operated by a public utility, unless a public utility files a petition requesting that a pipeline or a portion of a pipeline be classified as an intrastate pipeline and the commission approves the petition.

Sec. 2. Minnesota Statutes 1991 Supplement, section 216B.241, subdivision 2, is amended to read:

Subd. 2. [PROGRAMS.] The commissioner may by rule require public utilities to make investments and expenditures in energy conservation improvements, explicitly setting forth the interest rates, prices, and terms under which the improvements must be offered to the customers. The required programs must cover a two-year period. The commissioner shall require at least one public utility to establish a pilot program to make investments in and expenditures for energy from renewable resources such as solar, wind, or biomass and shall give special consideration and encouragement to programs that bring about significant net savings through the use of energy-efficient lighting. The commissioner shall evaluate the program on the basis of cost-effectiveness and the reliability of technologies employed. The rules of the department must provide to the extent practicable for a free choice, by consumers participating in the program, of the device, method, or material constituting the energy conservation improvement and for a free choice of the seller, installer, or contractor of the energy conservation improvement, provided that the device, method, material, seller, installer, or contractor is duly licensed, certified, approved, or qualified, including under the residential conservation services program, where applicable. The commissioner may require a utility to make an energy conservation improvement investment or expenditure whenever the commissioner finds that the improvement will result in energy savings at a total cost to the utility less than the cost to the utility to produce or purchase an equivalent amount of new supply of energy. The commissioner shall nevertheless ensure that every public utility operate one or more programs under periodic review by the department. Load management may be used to meet the requirements for energy conservation improvements under this section if it results in a demonstrable reduction in consumption of energy. The commissioner shall consider and may require a utility to undertake a program suggested by an outside



source, including a political subdivision or a nonprofit or community organization. No utility may make an energy conservation improvement under this section to a building envelope unless:

(1) it is the primary supplier of energy used for either space heating or cooling in the building;

(2) the commissioner determines that special circumstances, which would unduly restrict the availability of conservation programs, warrant otherwise; or

(3) the utility has been awarded a contract under subdivision 2a.

The commissioner shall require that a substantial portion of residential conservation improvement spending and investment by public utilities addresses residential conservation improvement needs of low-income persons and shall review conservation improvement spending and investment by cooperative electric associations and municipalities in light of whether a portion of the spending or investment addresses the residential conservation improvement needs of low-income persons. For the purposes of this paragraph, "low-income" means an income less than 185 percent of the federal poverty level.

A utility, a political subdivision, or a nonprofit or community organization that has suggested a program, or the attorney general acting on behalf of consumers and small business interests, or a utility customer that has suggested a program and is not represented by the attorney general under section 8.33 may petition the commission to modify or revoke a department decision under this section, and the commission may do so if it determines that the program is not cost-effective, does not adequately address the residential conservation improvement needs of low-income persons, has a long-range negative effect on one or more classes of customers, or is otherwise not in the public interest. The person petitioning for commission review has the burden of proof. The commission shall reject a petition that, on its face, fails to make a reasonable argument that a program is not in the public interest."

Page 1, line 8, delete "Section 1." and insert "Sec. 3."

Page 2, line 7, delete "Sec. 2." and insert "Sec. 4."

Amend the title as follows:

Page 1, line 2, after the semicolon insert "authorizing a public utility to petition to have a pipeline classified as an intrastate pipeline; requiring conservation improvement plans to address the needs of low-income persons; authorizing utility customers not

represented by the attorney general to challenge an energy conservation improvement program;”

Page 1, line 5, after “sections” insert “216B.045, subdivision 1;”

Page 1, line 6, before the period insert “; Minnesota Statutes 1991 Supplement, section 216B.241, subdivision 2”

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Vellenga from the Committee on Judiciary to which was referred:

S. F. No. 1619, A bill for an act relating to crimes; expanding list of offenses that result in ineligibility for a pistol permit to include all felonies, domestic abuse, and malicious punishment of a child; amending Minnesota Statutes 1990, section 624.713, subdivision 1; and Minnesota Statutes 1991 Supplement, section 624.712, subdivision 5.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1990, section 609.224, is amended by adding a subdivision to read:

Subd. 3. [DOMESTIC ASSAULTS.] (a) Whoever assaults a family or household member, as defined in section 518B.01, subdivision 2, is guilty of a misdemeanor.

(b) Whoever violates the provisions of paragraph (a) within five years of a previous conviction under paragraph (a) is guilty of a gross misdemeanor.

(c) When a person is convicted of a violation of paragraph (a) or (b), the court shall determine and make written findings on the record as to whether:

(1) the defendant owns or possesses a firearm; and

(2) the firearm was used in any way during the commission of the assault.

If the court determines that the defendant owns or possesses a firearm and used it in any way during the commission of the assault,

it shall order the defendant to relinquish possession of the firearm and give it to the sheriff of the county where the offense occurred. The sheriff shall retain custody of the firearm for two years following the date of conviction.

(d) When a person is convicted of a violation of paragraph (a) or (b), the court shall inform the defendant that the defendant is prohibited from possessing a pistol for a period of two years from the date of conviction and that it is a gross misdemeanor offense to violate this prohibition. The failure of the court to provide this information to a defendant does not affect the applicability of the pistol possession prohibition or the gross misdemeanor penalty to that defendant.

Sec. 2. Minnesota Statutes 1990, section 624.713, subdivision 1, is amended to read:

Subdivision 1. [INELIGIBLE PERSONS.] The following persons shall not be entitled to possess a pistol:

(a) a person under the age of 18 years except that a person under 18 may carry or possess a pistol (i) in the actual presence or under the direct supervision of the person's parent or guardian, (ii) for the purpose of military drill under the auspices of a legally recognized military organization and under competent supervision, (iii) for the purpose of instruction, competition, or target practice on a firing range approved by the chief of police or county sheriff in whose jurisdiction the range is located and under direct supervision; or (iv) if the person has successfully completed a course designed to teach marksmanship and safety with a pistol and approved by the commissioner of natural resources;

(b) a person who has been convicted in this state or elsewhere of a crime of violence unless ten years have elapsed since the person has been restored to civil rights or the sentence has expired, whichever occurs first, and during that time the person has not been convicted of any other crime of violence. For purposes of this section, crime of violence includes crimes in other states or jurisdictions which would have been crimes of violence as herein defined if they had been committed in this state;

(c) a person who is or has ever been confined or committed in Minnesota or elsewhere as a "mentally ill," "mentally retarded," or "mentally ill and dangerous to the public" person as defined in section 253B.02, to a treatment facility, unless the person possesses a certificate of a medical doctor or psychiatrist licensed in Minnesota, or other satisfactory proof that the person is no longer suffering from this disability;

(d) a person who has been convicted in Minnesota or elsewhere for the unlawful use, possession, or sale of a controlled substance other

than conviction for possession of a small amount of marijuana, as defined in section 152.01, subdivision 16, or a person who is or has ever been hospitalized or committed for treatment for the habitual use of a controlled substance or marijuana, as defined in sections 152.01 and 152.02, unless the person possesses a certificate of a medical doctor or psychiatrist licensed in Minnesota, or other satisfactory proof, that the person has not abused a controlled substance or marijuana during the previous two years;

(e) a person who has been confined or committed to a treatment facility in Minnesota or elsewhere as "chemically dependent" as defined in section 253B.02, unless the person has completed treatment. Property rights may not be abated but access may be restricted by the courts; ~~or~~

(f) a peace officer who is informally admitted to a treatment facility pursuant to section 253B.04 for chemical dependency, unless the officer possesses a certificate from the head of the treatment facility discharging or provisionally discharging the officer from the treatment facility. Property rights may not be abated but access may be restricted by the courts; or

(g) a person who has been convicted of assault in the fifth degree under section 609.224, subdivision 3, unless two years have elapsed from the date of conviction and, during that time, the person has not been convicted of any other violation of section 609.224, subdivision 3. Property rights may not be abated but access may be restricted by the courts.

A person who issues a certificate pursuant to this subdivision in good faith is not liable for damages resulting or arising from the actions or misconduct with a firearm committed by the individual who is the subject of the certificate.

Sec. 3. Minnesota Statutes 1990, section 624.714, subdivision 1, is amended to read:

Subdivision 1. [PENALTY.] A person, other than a law enforcement officer who has authority to make arrests other than citizens arrests, who carries, holds or possesses a pistol in a motor vehicle, snowmobile or boat, or on or about the person's clothes or the person, or otherwise in possession or control in a public place or public area without first having obtained a permit to carry the pistol is guilty of a gross misdemeanor. A person who has been issued a permit and who fails to have the permit in actual possession whenever the person carries the pistol or who engages in activities other than those for which the permit has been issued, is guilty of a misdemeanor.

Sec. 4. Minnesota Statutes 1990, section 624.714, is amended by adding a subdivision to read:

Subd. 5a. [FORM OF PERMIT.] By December 1, 1992, the commissioner of public safety shall adopt statewide standards governing the form and contents of every permit to carry a pistol that is granted or renewed on or after January 1, 1993. These standards must, at a minimum, require the permit to carry a pistol to include a recent photograph of the permittee. The adoption of these standards is not subject to the rulemaking provisions of chapter 14.

Every permit to carry a pistol that is granted or renewed by a police chief or county sheriff on or after January 1, 1993, must meet the statewide standards adopted by the commissioner of public safety.

Sec. 5. Minnesota Statutes 1990, section 624.714, subdivision 7, is amended to read:

Subd. 7. [RENEWAL.] Permits to carry a pistol issued pursuant to this section shall expire after one year and shall thereafter be renewed in the same manner and subject to the same provisions by which the original permit was obtained, except that all renewed permits must comply with the standards adopted by the commissioner of public safety under subdivision 5a.

Sec. 6. [EFFECTIVE DATE.]

Sections 1 to 5 are effective August 1, 1992, and apply to crimes committed on or after that date."

Delete the title and insert:

"A bill for an act relating to crimes; creating a separate crime of fifth degree domestic assault; requiring courts to take possession of any firearm used in the commission of the assault; disqualifying persons convicted of fifth degree domestic assault from possessing a firearm for two years after the date of the conviction; requiring the commissioner of public safety to adopt statewide standards governing form and content of permits to carry a pistol; amending Minnesota Statutes 1990, sections 609.224, by adding a subdivision; 624.713, subdivision 1; and 624.714, subdivisions 1, 7, and by adding a subdivision."

With the recommendation that when so amended the bill pass.

The report was adopted.

**SECOND READING OF HOUSE BILLS**

H. F. Nos. 419, 1347, 1531, 1778, 1933, 2000, 2001, 2014, 2018, 2076, 2093, 2125, 2147, 2183, 2324, 2342, 2375, 2402, 2404, 2423, 2510, 2566, 2733, 2750, 2754 and 2849 were read for the second time.

**SECOND READING OF SENATE BILLS**

S. F. Nos. 1638, 1919, 2227, 2385, 1399 and 1619 were read for the second time.

**INTRODUCTION AND FIRST READING  
OF HOUSE BILLS**

The following House Files were introduced:

Runbeck, Schreiber, Bishop and Wenzel introduced:

H. F. No. 2975, A resolution making application to the Congress of the United States to adopt an amendment to the Constitution of the United States, for submission to the States, to require, with certain exceptions, that the Federal budget be balanced; or, in the alternative, to call a convention for the sole and exclusive purpose of proposing such an amendment for submission to the States for ratification.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Dawkins; Peterson; Jefferson; Anderson, I., and Orenstein introduced:

H. F. No. 2976, A resolution memorializing Congress to grant statehood to the District of Columbia.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Wenzel, Uphus and Koppendrayer introduced:

H. F. No. 2977, A bill for an act relating to capital improvements; authorizing bonds and appropriating money for capital planning for the St. Cloud state university library.

The bill was read for the first time and referred to the Committee on Appropriations.

Lourey and Jaros introduced:

H. F. No. 2978, A bill for an act relating to the health department; modifying the commissioner's duties; expanding outreach efforts; changing reporting requirements and expanding services for the nutritional supplement food program known as W.I.C.; appropriating money; amending Minnesota Statutes 1990, section 145.894.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Begich, Janezich and Schreiber introduced:

H. F. No. 2979, A bill for an act relating to taxation; property tax; granting a temporary exemption for certain utility distribution property located in St. Louis, Cook, Itasca, and Lake counties.

The bill was read for the first time and referred to the Committee on Taxes.

Milbert; Jacobs; Johnson, A.; Valento and Macklin introduced:

H. F. No. 2980, A bill for an act relating to taxation; property; providing for valuation of manufactured home parks; amending Minnesota Statutes 1990, sections 273.11, by adding a subdivision; and 273.124, by adding a subdivision; Minnesota Statutes 1991 Supplement, section 276.04, subdivision 2.

The bill was read for the first time and referred to the Committee on Taxes.

Seaberg introduced:

H. F. No. 2981, A bill for an act relating to domestic abuse; waiving service of process fees of petitioners under the domestic abuse act; amending Minnesota Statutes 1991 Supplement, section 518B.01, subdivision 3a.

The bill was read for the first time and referred to the Committee on Judiciary.

## MESSAGES FROM THE SENATE

The following message was received from the Senate:

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1911, A bill for an act relating to Hubbard county; authorizing the private sale of certain land which was exchanged for tax-forfeited land.

PATRICK E. FLAHAVEN, Secretary of the Senate

### CONCURRENCE AND REPASSAGE

Kinkel moved that the House concur in the Senate amendments to H. F. No. 1911 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1911, A bill for an act relating to state lands; authorizing the private sale of certain land which was exchanged for tax-forfeited land; authorizing the commissioner of natural resources to sell certain land and related improvements located in Cass county to the United States of America; requiring the commissioner of natural resources to convey certain land to Hubbard county.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Carruthers	Goodno	Jaros	Lasley
Anderson, I.	Clark	Greenfield	Jefferson	Leppik
Anderson, R. H.	Cooper	Gruenes	Jennings	Lieder
Battaglia	Dauner	Gutknecht	Johnson, A.	Limmer
Bauerly	Davids	Hanson	Johnson, R.	Lourey
Beard	Dawkins	Hartle	Johnson, V.	Lynch
Begich	Dempsey	Hasskamp	Kahn	Macklin
Bertram	Dille	Haukoos	Kalis	Mariani
Bettermann	Dorn	Hausman	Kelso	Marsh
Bishop	Erhardt	Heir	Kinkel	McEachern
Blatz	Farrell	Henry	Knickerbocker	McGuire
Bodahl	Frederick	Hufnagle	Koppendrayer	McPherson
Boo	Frerichs	Hugoson	Krambeer	Milbert
Brown	Garcia	Jacobs	Krinkie	Morrison
Carlson	Girard	Janezich	Krueger	Munger



Murphy	Orfield	Rodosovich	Sparby	Wagenius
Nelson, K.	Osthoff	Rukavina	Stanuis	Waltman
Nelson, S.	Ostrom	Runbeck	Steensma	Weaver
Newinski	Ozment	Sarna	Sviggum	Wejzman
O'Connor	Pauly	Schafer	Swenson	Welker
Ogren	Pellow	Schreiber	Thompson	Welle
Olsen, S.	Pelowski	Seaberg	Tompkins	Wenzel
Olson, E.	Peterson	Segal	Trimble	Winter
Olson, K.	Pugh	Simoneau	Uphus	Spk. Long
Omamm	Reding	Skoglund	Valento	
Onnen	Rest	Smith	Vanasek	
Orenstein	Rice	Solberg	Vellenga	

The bill was repassed, as amended by the Senate, and its title agreed to.

### CONSENT CALENDAR

S. F. No. 2210 was reported to the House.

Orenstein moved to amend S. F. No. 2210, as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1990, section 383A.291, is amended by adding a subdivision to read:

Subd. 4. In addition to the eligibles certified under other subdivisions of this section, the personnel director shall certify as eligibles for a position each county employee who has been displaced or laid off because of the closing of a county facility or for another reason and meets the minimum qualifications of the position and passes the competitive open or competitive promotional examination for the position.

Sec. 2. [LOCAL APPROVAL.]

This act takes effect the day after the Ramsey county board complies with the provisions of Minnesota Statutes, section 645.021, subdivision 3.”

The motion prevailed and the amendment was adopted.

S. F. No. 2210, A bill for an act relating to Ramsey county; providing for the certification of eligibles for county positions; amending Minnesota Statutes 1990, section 383A.291, by adding a subdivision.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Kelso	Olsen, S.	Skoglund
Anderson, I.	Frerichs	Kinkel	Olson, E.	Smith
Anderson, R.	Garcia	Knickerbocker	Olson, K.	Solberg
Anderson, R. H.	Girard	Koppendrayner	Omann	Sparby
Battaglia	Goodno	Krambeer	Onnen	Stanias
Bauerly	Greenfield	Krinkie	Orenstein	Steensma
Beard	Gruenes	Krueger	Orfield	Sviggum
Begich	Gutknecht	Lasley	Osthoff	Swenson
Bertram	Hanson	Leppik	Ostrom	Thompson
Bettermann	Hartle	Lieder	Ozment	Tompkins
Bishop	Hasskamp	Limmer	Pauly	Trimble
Blatz	Haukoos	Lourey	Pellow	Uphus
Bodahl	Hausman	Lynch	Pelowski	Valento
Boo	Heir	Macklin	Peterson	Vanasek
Brown	Henry	Mariani	Pugh	Vellenga
Carlson	Hufnagle	Marsh	Reding	Wagenius
Carruthers	Hugoson	McEachern	Rest	Waltman
Clark	Jacobs	McGuire	Rice	Weaver
Cooper	Janezich	McPherson	Rodosovich	Wejcman
Dauner	Jaros	Milbert	Rukavina	Welker
Davids	Jefferson	Munger	Runbeck	Welle
Dawkins	Jennings	Murphy	Sarna	Wenzel
Dempsey	Johnson, A.	Nelson, K.	Schafer	Winter
Dille	Johnson, R.	Nelson, S.	Schreiber	Spk. Long
Dorn	Johnson, V.	Newinski	Seaberg	
Erhardt	Kahn	O'Connor	Segal	
Farrell	Kalis	Ogren	Simoneau	

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

#### REPORT FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Welle, from the Committee on Rules and Legislative Administration, pursuant to rule 1.09, designated the following bills as Special Orders to be acted upon immediately preceding General Orders for Monday, March 23, 1992:

H. F. Nos. 2115 and 1969; S. F. No. 1689; H. F. No. 1701; S. F. No. 1666; and H. F. Nos. 1488, 1489, 1976, 2030, 2099, 1875, 1988, 2046, 2186, 2313, 2388, 2658, 1978, 2113, 2273, 2345, 2483, 2593, 2106 and 2352.

#### REPORT FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Welle, for the Committee on Rules and Legislative Administration, offered the following report and moved its adoption:

*Resolved*, that Rules 1.16, 1.18, 3.04, 6.06, and 6.11 of the Permanent Rules of the House of Representatives for the 77th Session be amended to read as follows:

**1.16 TIME LIMIT FOR CONSIDERATION OF BILLS.** If 20 legislative days after a bill has been referred to committee or division (other than a bill in Appropriations) no report has been made upon it by the committee or division, its chief author may request that it be returned to the House and the request shall be entered in the Journal for the day. The committee or division shall have ten calendar days thereafter in which to vote upon the bill requested. If the committee or division fails to vote upon it within the ten days, the chief author may, at any time within five calendar days thereafter, present a written demand to the Speaker for its immediate return to the House. The demand shall be entered in the Journal for that day and shall constitute the demand of the House. The bill shall then be considered to be in the possession of the House, given its second reading and placed at the end of General Orders.

Such bill is subject to re-reference by a majority vote of the whole House. If the motion to re-refer is made on the day of the demand or within one legislative day thereafter, the motion shall take precedence over all other motions except privileged motions and shall be in order at any time.

In regular session in the odd-numbered year after Friday, May 17, 1991, and in the even-numbered year after Monday, March 30, 1992, the House shall not act on bills other than those recommended by conference committee reports or the Committee on Rules and Legislative Administration, and those bills contained in messages from the Senate or from the Governor.

**1.18 RECORDED FLOOR PROCEEDINGS.** All proceedings on the floor of the House shall be recorded on magnetic tape or similar recording device under the direction of the Chief Clerk. ~~Two copies of each tape~~ All taped proceedings of the House floor sessions shall be delivered to the Director of the Legislative Reference Library and there maintained on file for use by any member of the public in accordance with the rules of the Legislative Reference Library. At the end of each biennium, the Director of Tapes delivered to the Legislative Reference Library shall deliver one copy of each tape be kept by the library for eight years after which they shall be delivered to the Director of the Minnesota Historical Society.

Any person may obtain a copy of any such tape during the biennium in which it is recorded upon payment of a fee determined by the Chief Clerk to be adequate to cover the cost of preparing the copy.

Discussion preserved under this rule is not intended to be admis-

sible in any court or administrative proceeding on an issue of legislative intent.

**3.04 MOTION FOR RECONSIDERATION.** When a question has been decided either in the affirmative or negative, it shall be in order for any member who voted with the prevailing side to move its reconsideration, provided that such motion is made either on the same day the vote was taken or within the following two days of actual session of the House. A motion for reconsideration can be made at any time in the Order of Business and shall take precedence over all other questions except the motion to adjourn and the notice of intention to move reconsideration. Such motion or notice shall not be in order if the document, bill, resolution, message, report or other official action on which the vote was taken shall have left the possession of the House.

When a member gives notice of intention to move reconsideration of the final action of the House on any bill, resolution, message, report or other official action, the Chief Clerk shall retain the same until after the matter is disposed of or the time has expired during which the motion for reconsideration can be made.

On the last day allowed for the motion to reconsider, it shall be in order for any member who voted on the prevailing side to make the motion, unless the matter has been already disposed of.

A motion for reconsideration having been voted upon and lost shall not be renewed.

In regular session in an odd-numbered year, notice of intention to move reconsideration shall not be in order after Monday, April 22, 1991.

In regular session in an even-numbered year, notice of intention to move reconsideration shall not be in order after Thursday, March 26, 1992.

**6.06 COMMITTEE RECORDS.** The chair or acting chair of each standing committee shall cause a record to be kept, in the form prescribed by the Committee on Rules and Legislative Administration, which shall include the record of each bill referred to the committee and the minutes of the committee. The minutes shall include:

- a. The time and place of each hearing or meeting of the committee;
- b. Committee members present;
- c. The name and address of each person appearing before the committee, together with the name and address of the person,

association, firm or corporation in whose behalf the appearance is made;

d. The language of each motion, the name of the committee member making the motion, and the result of any vote taken upon the motion, including the yeas and nays whenever a roll call is demanded;

e. The date on which any subcommittee is created, the names of its members and the bills referred to it;

f. The record of each subcommittee meeting, including the time and place of the meeting; members present; the name of each person appearing before the subcommittee, together with the name of the person, association, firm or corporation in whose behalf the appearance is made; and the language of each motion, together with the name of the member making the motion, and the result of any vote taken upon the motion, including the yeas and nays whenever a roll call is demanded;

g. Other important matters related to the work of the committee.

The minutes shall be approved at the next regular meeting of the committee.

Copies of the minutes, after approval by the committee, shall be filed with the Chief Clerk and shall be open to public inspection in the Chief Clerk's office. At the end of the biennium they shall be delivered, together with the other committee records, to the Director of the Legislative Reference Library, where they shall remain open for public inspection during regular office hours. A copy of any page of any committee minutes may be obtained upon payment of a fee determined by the Chief Clerk to be adequate to cover the cost of preparing the copy.

The magnetic tape recording of any committee meetings shall be retained by the chair until the minutes of that meeting have been approved by the committee. ~~The recording or a copy of the recording shall then be filed with the Director of the Legislative Reference Library; where it shall be maintained for a period of two years from the date of filing for use by any person in accordance with the rules of the Legislative Reference Library. After expiration of the two-year period the recording may be erased and the tape may be reused. Tapes filed with the Legislative Reference Library shall be kept by the library for eight years after which they shall be delivered to the Director of the Minnesota Historical Society.~~

Any person may obtain a copy of such tape during the period in which it is maintained in the Legislative Reference Library upon payment of a fee determined by the Chief Clerk to be sufficient to

cover the cost of the copy. Testimony and discussion preserved under this rule is not intended to be admissible in any court or administrative proceeding on an issue of legislative intent.

**6.11 CONFERENCE COMMITTEES.** A conference committee may report at any time. No committee except a conference committee or the Committee on Rules and Legislative Administration shall sit during any daily session of the House without leave.

A conference committee report shall include only subject matter contained in the House or Senate versions of the bill for which that conference committee was appointed, or like subject matter contained in a bill passed by the House. The member presenting the conference committee report to the House shall disclose all substantive changes from the House version of the bill.

In regular session in an odd-numbered year except after Monday, May 13, 1991, and in an even-numbered year except after ~~Thursday~~ Thursday, April 2, 1992, a written copy of a report of a conference committee shall be placed on the desk of each member of the House 24 hours before action on the report by the House. If the report has been reprinted in the Journal of the House for a preceding day and is available to the members, the Journal copy shall serve as the written report.

Schreiber moved to amend the report from the Committee on Rules and Legislative Administration, as follows:

*Resolved*, that rule 6.02 be amended as follows:

**6.02 COMMITTEE MEMBERSHIP.** No less than 30 days prior to the opening of a regular session of the Legislature, the Speaker-designate shall provide the minority group with a list of the standing committees proposed for the session. The Speaker-designate shall also designate the number of minority members to be appointed to each committee and may require general membership guidelines to be followed in the selection of committee members.

If the minority leader submits to the Speaker-designate, at least 15 days prior to the opening of the session, a list of proposed committee assignments for the minority group, which complies with the numbers and guidelines provided, the Speaker shall make such proposed assignments with the purpose of attaining proportionate representation on the committees for the minority group.

No committee of the House shall have exclusive membership from any one profession, occupation or vocation.

No member may serve as chair of the same standing committee for more than three consecutive terms.

Trimble moved that the Schreiber amendment be referred to the Committee on Rules and Legislative Administration.

A roll call was requested and properly seconded.

The question was taken on the Trimble motion and the roll was called. There were 73 yeas and 59 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Dorn	Kelso	Olson, K.	Skoglund
Anderson, R.	Farrell	Kinkel	Orenstein	Solberg
Battaglia	Garcia	Krueger	Orfield	Sparby
Bauerly	Greenfield	Lieder	Osthoff	Steensma
Beard	Hanson	Lourey	Ostrom	Thompson
Begich	Hasskamp	Mariani	Pelowski	Trimble
Bertram	Hausman	McEachern	Peterson	Vanasek
Bodahl	Jacobs	McGuire	Pugh	Vellenga
Brown	Janezich	Munger	Reding	Wagenius
Carlson	Jefferson	Murphy	Rest	Wejzman
Carruthers	Jennings	Nelson, K.	Rodosovich	Welle
Clark	Johnson, A.	Nelson, S.	Rukavina	Winter
Cooper	Johnson, R.	O'Connor	Sarna	Spk. Long
Dauner	Kahn	Ogren	Segal	
Dawkins	Kalis	Olson, E.	Simoneau	

Those who voted in the negative were:

Abrams	Girard	Knickerbocker	Morrison	Seaberg
Anderson, R. H.	Goodno	Koppendraye	Newinski	Smith
Bettermann	Gruenes	Krambeer	Olsen, S.	Stanius
Bishop	Gutknecht	Krinkie	Omann	Sviggum
Blatz	Hartle	Lasley	Onnen	Swenson
Boo	Haukoos	Leppik	Ozment	Tompkins
Dauids	Heir	Limmer	Pauly	Uphus
Dempsey	Henry	Lynch	Pellow	Valento
Dille	Hufnagle	Macklin	Rice	Waltman
Erhardt	Hugoson	Marsh	Runbeck	Weaver
Frederick	Jaros	McPherson	Schafer	Welker
Frerichs	Johnson, V.	Milbert	Schreiber	

The motion prevailed and the Schreiber amendment was referred to the Committee on Rules and Legislative Administration.

Stanius, Sviggum, Welker, Pauly, Gutknecht, Omann, Koppendraye, Abrams and Seaberg moved to amend the report from the Committee on Rules and Legislative Administration, as follows:

*Resolved*, that rule 6.12 be amended as follows:

6.12 COMMITTEE BUDGETS AND EXPENSES. The Committee on Rules and Legislative Administration shall establish a budget for each standing committee of the House for expenses incurred by the committee, its members, or its staff in conducting its legislative business. Per diem expense allowances paid to members during sessions or at times set by the Speaker shall not be charged against

the budget. No committee shall incur expenses in excess of its authorized budget.

Employees shall be reimbursed for actual expenses in the same manner as state employees.

During sessions, for travel away from the Capitol, members shall be reimbursed for actual expenses in the same manner as state employees in addition to per diem expense allowances.

All charges against the committee budget must be approved by the chair before payment is made.

In April, July, October, and January, each committee shall report its expenditures during the prior quarter to the committee on Rules and Legislative Administration. The reports shall be available to any member of the House.

A roll call was requested and properly seconded.

Welle moved that the Stanius et al amendment be referred to the Committee on Rules and Legislative Administration.

A roll call was requested and properly seconded.

The question was taken on the Welle motion and the roll was called. There were 70 yeas and 62 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Farrell	Kelso	Olson, K.	Skoglund
Battaglia	Garcia	Kinkel	Osthoff	Solberg
Bauerly	Greenfield	Krueger	Ostrom	Sparby
Beard	Hanson	Lieder	Pelowski	Steensma
Begich	Hasskamp	Lourey	Peterson	Thompson
Bertram	Hausman	McEachern	Pugh	Trimble
Bodahl	Jacobs	McGuire	Reding	Vanasek
Brown	Janezich	Milbert	Rest	Vellenga
Carlson	Jaros	Munger	Rice	Wagenius
Carruthers	Jefferson	Murphy	Rodosovich	Wejzman
Clark	Johnson, A.	Nelson, K.	Rukavina	Welle
Cooper	Johnson, R.	O'Connor	Sarna	Wenzel
Dille	Kahn	Ogren	Segal	Winter
Dorn	Kalis	Olson, E.	Simoneau	Spk. Long

Those who voted in the negative were:

Abrams	Boo	Frederick	Hartle	Jennings
Anderson, R.	Dauner	Frerichs	Haukoos	Johnson, V.
Anderson, R. H.	Davids	Girard	Heir	Knickerbocker
Bettermann	Dawkins	Goodno	Henry	Koppendrayner
Bishop	Dempsey	Gruenes	Hufnagle	Krambeer
Blatz	Erhardt	Gutknecht	Hugoson	Krinkie



Lasley	Morrison	Orfield	Seaberg	Valento
Leppik	Nelson, S.	Ozment	Smith	Waltman
Limmer	Newinski	Pauly	Stanius	Weaver
Lynch	Olsen, S.	Pellow	Svigum	Welker
Macklin	Omann	Runbeck	Swenson	
Marsh	Onnen	Schafer	Tompkins	
McPherson	Orenstein	Schreiber	Uphus	

The motion prevailed and the Stanius et al amendment was referred to the Committee on Rules and Legislative Administration.

The question recurred on the Welle motion that the report of the Committee on Rules and Legislative Administration be now adopted. The motion prevailed and the report amending the Permanent Rules of the House for the 77th Session was adopted.

### GENERAL ORDERS

Welle moved that the bills on General Orders for today be continued. The motion prevailed.

### MOTIONS AND RESOLUTIONS

Simoneau moved that the name of Dorn be added as an author on H. F. No. 2420. The motion prevailed.

Sparby moved that the names of Steensma and Omann be added as authors on H. F. No. 2422. The motion prevailed.

Clark moved that the name of Koppendraye be stricken and the name of Krambeer be added as an author on H. F. No. 2704. The motion prevailed.

Osthoff moved that the name of Frerichs be added as an author on H. A. No. 40. The motion prevailed.

Begich moved that H. F. No. 2869 be recalled from the Committee on Labor-Management Relations and be re-referred to the Committee on Rules and Legislative Administration. The motion prevailed.

Johnson, R., moved that H. F. No. 2423, now on Technical General Orders, be re-referred to the Committee on Appropriations. The motion prevailed.

Wenzel moved that H. F. No. 2566, now on the Technical Consent

Calendar, be re-referred to the Committee on Appropriations. The motion prevailed.

Bettermann moved that H. F. No. 1774 be returned to its author. The motion prevailed.

Ogren moved that H. F. No. 2703 be returned to its author. The motion prevailed.

Bishop moved that H. F. No. 2027 be returned to its author. The motion prevailed.

Bishop moved that H. F. No. 2538 be returned to its author. The motion prevailed.

Kahn moved that H. F. No. 376 be returned to its author. The motion prevailed.

Stanius introduced:

House Resolution No. 11, A house resolution setting the maximum limit on revenues and appropriations for the biennium.

The resolution was referred to the Committee on Ways and Means.

Bishop, Trimble, Limmer, Boo and Begich introduced:

House Resolution No. 12, A house resolution expressing thanks to the Chinese citizens who saved the lives of American airmen in 1942.

#### SUSPENSION OF RULES

Bishop moved that the rules be so far suspended that House Resolution No. 12 be now considered and be placed upon its adoption. The motion prevailed.

#### HOUSE RESOLUTION NO. 12

A house resolution expressing thanks to the Chinese citizens who saved the lives of American airmen in 1942.

*Whereas*, on April 18, 1942, five months after the Japanese attack on Pearl Harbor, 80 American airmen in 16 B-25 bombers took off from the USS Hornet and bombed Tokyo and other targets in Japan; and

*Whereas*, low on fuel and fighting bad weather, they flew on to China, where some of the crews crash-landed in coastal waters, and others parachuted into Japanese-occupied territory; and

*Whereas*, many of the crew members would have died but for the generous help of the Chinese people; and

*Whereas*, the occupying Japanese exacted terrible retribution from the Chinese villages that aided the airmen; and

*Whereas*, nearly 50 years later, in September of 1990, Bryan Moon of Frontenac, Minnesota, led an expedition into China's Zhejiang Province and made contact with some of those who had risked their lives to help the American airmen; and

*Whereas*, five of these Chinese "saviors" are present here today, along with Col. Hank Potter, one of the airmen saved by their help; *Now, Therefore,*

*Be It Resolved* by the House of Representatives of the State of Minnesota that it extends its thanks to Mr. Zhu Xuesan, Dr. Chen Shenyang, Mrs. Zhao Xiaobao, Mrs. Zeng Jianpei, and Mr. Liu Fangchiao for their care, their courage, and their generosity.

*Be It Further Resolved* that the House of Representatives welcomes them to Minnesota, along with Huang Enbo and Zhao Xiang-Ling of the Chinese consulate; Li Wen, their interpreter; Col. Hank Potter; and artist Bryan Moon.

*Be It Further Resolved* that the Chief Clerk of the House of Representatives is directed to prepare an enrolled copy of this resolution, to be authenticated by his signature and that of the Speaker, and transmit it to Mr. Zhu Xuesan, Dr. Chen Shenyang, Mrs. Zhao Xiaobao, Mrs. Zeng Jianpei, Mr. Liu Fangchiao, Col. Hank Potter, and Mr. Bryan Moon.

Bishop moved that House Resolution No. 12 be now adopted. The motion prevailed and House Resolution No. 12 was adopted.

#### ADJOURNMENT

Welle moved that when the House adjourns today it adjourn until 2:30 p.m., Monday, March 23, 1992. The motion prevailed.

Welle moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Monday, March 23, 1992.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

STATE OF MINNESOTA

SEVENTY-SEVENTH SESSION—1992

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EIGHTY-FIRST DAY

SAINT PAUL, MINNESOTA, FRIDAY, MARCH 20, 1992

The Senate met on Friday, March 20, 1992, which was the Eighty-first Legislative Day of the Seventy-seventh Session of the Minnesota State Legislature. The House of Representatives did not meet on this date.



## STATE OF MINNESOTA

## SEVENTY-SEVENTH SESSION—1992

## EIGHTY-SECOND DAY

SAINT PAUL, MINNESOTA, MONDAY, MARCH 23, 1992

The House of Representatives convened at 2:30 p.m. and was called to order by Dee Long, Speaker of the House.

Prayer was offered by the Reverend Eleanor M. Hunsberger, Luther Northwestern Seminary, St. Paul, Minnesota.

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

The roll was called and the following members were present:

Abrams	Frederick	Kinkel	Olsen, S.	Skoglund
Anderson, I.	Frerichs	Knickerbocker	Olson, E.	Smith
Anderson, R.	Garcia	Koppendrayner	Olson, K.	Solberg
Anderson, R. H.	Girard	Krambeer	Omann	Sparby
Battaglia	Goodno	Krinkie	Onnen	Stanius
Bauerly	Greenfield	Krueger	Orenstein	Steenasma
Beard	Gruenes	Lasley	Orfield	Sviggum
Begich	Gutknecht	Leppik	Osthoff	Swenson
Bertram	Hanson	Lieder	Ostrom	Thompson
Bettermann	Hartle	Limmer	Ozment	Tompkins
Bishop	Hasskamp	Lourey	Pauly	Trimble
Blatz	Haukoos	Lynch	Pellow	Tunheim
Bodahl	Hausman	Macklin	Pelowski	Uphus
Boo	Heir	Mariani	Peterson	Valento
Brown	Henry	Marsh	Pugh	Vanasek
Carlson	Hufnagle	McEachern	Reding	Vellenga
Carruthers	Hugoson	McGuire	Rest	Wagenius
Clark	Jacobs	McPherson	Rice	Waltman
Cooper	Janezich	Milbert	Rodosovich	Weaver
Dauner	Jaros	Morrison	Rukavina	Wejcmann
Dauids	Jefferson	Munger	Runbeck	Welker
Dawkins	Jennings	Murphy	Sarna	Welle
Dempsey	Johnson, A.	Nelson, K.	Schafer	Wenzel
Dille	Johnson, R.	Nelson, S.	Schreiber	Winter
Dorn	Johnson, V.	Newinski	Seaberg	Spk. Long
Erhardt	Kalis	O'Connor	Segal	
Farrell	Kelso	Ogren	Simoneau	

A quorum was present.

Kahn was excused.

The Chief Clerk proceeded to read the Journals of the preceding days. Steensma moved that further reading of the Journals be dispensed with and that the Journals be approved as corrected by the Chief Clerk. The motion prevailed.

## REPORTS OF STANDING COMMITTEES

Sarna from the Committee on Commerce to which was referred:

H. F. No. 487, A bill for an act relating to commerce; requiring local units of government to license the retail sale of cigarettes; providing for mandatory suspension of licenses for sales to minors; amending Minnesota Statutes 1990, section 461.12.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [461.111] [DEFINITIONS.]

Subdivision 1. [APPLICATION.] The definitions in this section apply to sections 461.111 to 461.15.

Subd. 2. [LOCAL GOVERNMENT UNIT.] “Local government unit” means the town board, the governing body of a home rule charter or statutory city, or the county board.

Subd. 3. [TOBACCO.] “Tobacco” has the meaning given in section 609.685, subdivision 1.

Sec. 2. Minnesota Statutes 1990, section 461.12, is amended to read:

461.12 [MUNICIPAL CIGARETTE TOBACCO LICENSE.]

Subdivision 1. [AUTHORIZATION.] The town board or governing body of each town and home rule charter and statutory city may ~~A~~ town board or governing body of a home rule charter or statutory city may license and regulate the retail sale at retail of cigarettes, cigarette paper, or cigarette wrappers tobacco and fix the establish a license fee for sales. The county board shall license and regulate the sale of tobacco in unorganized territory and in a town or a home rule charter or statutory city if the town or city is not licensing or regulating retail tobacco sales. Each sales location, including each vending machine dispensing tobacco, must be licensed separately.

Subd. 2. [AUTHORIZED REGULATIONS.] The town or city local



government unit may charge a uniform annual fee for all sellers or different annual fees for different classes of sellers. The fee must be sufficient to recover the cost of enforcement of this section. It may provide for the punishment of any violation of the regulations, and make other provisions for the regulation of the sale of cigarettes tobacco within its jurisdiction as are permitted by law. The county board may make like provisions for licensing and regulating the sale of cigarettes in unorganized territory. The provisions of A licensee must be given a written warning if the licensee is found to have sold tobacco to a person under the age of 18 years at that location. A seven-day suspension must be imposed for a second violation by the same individual occurring within a 12-month period at the sale location. A three-month suspension must be imposed for a third violation by the same individual occurring within a 12-month period at the sale location. No suspension may take effect until the license holder has been given reasonable notice of an alleged violation and has been afforded an opportunity for a hearing before a person authorized by the local government unit to conduct the hearing. A decision that a violation has occurred must be in writing and based on the record compiled at the hearing. A decision may be appealed to the district court of the county in which the sale occurred. This section shall does not apply to the licensing of sale of cigarettes tobacco sales in cars of common carriers.

Subd. 3. [ADMINISTRATIVE PENALTY.] The local government unit shall impose, on an individual who sells tobacco to a person under the age of 18 years, an administrative penalty of \$50. The individual must be given reasonable notice of an alleged violation and afforded an opportunity for a hearing before a person authorized by the governing body of the local government unit to conduct the hearing. A decision that a violation has occurred must be in writing and based on the record compiled at the hearing. A decision may be appealed to the district court of the county in which the sale occurred.

Subd. 4. [DEFENSE.] It is a defense to a violation under subdivision 2 or 3 of selling tobacco to a person under the age of 18 years, if the licensee or individual making the sale proves by a preponderance of the evidence that the licensee or individual reasonably and in good faith relied upon representation of proof of age described in section 340A.503, subdivision 6, in making the sale.

Subd. 5. [EFFECT ON LOCAL ORDINANCE.] This section does not preempt a local ordinance which provides for more restrictive regulation of retail tobacco sales.

Sec. 3. Minnesota Statutes 1990, section 461.13, is amended to read:

461.13 [CIGARETTE TOBACCO LICENSE FEES, APPORTIONMENT.]

The fees for licenses granted by the governing body of any ~~municipality~~ local government unit shall be for the benefit of the ~~municipality~~ local government unit. When a license is issued by the county board the fee shall be deposited in the county treasury and be credited to the county revenue fund.

Sec. 4. Minnesota Statutes 1990, section 461.15, is amended to read:

461.15 [BLIND PERSONS NOT TO PAY ~~CIGARETTE~~ TOBACCO LICENSES.]

No applicant for any license required of persons for the sale or manufacture of ~~cigarettes~~ tobacco shall be required to pay any fee to the state or any political subdivision thereof upon furnishing a doctor's certificate showing that the applicant is blind, as defined by Laws 1937, Chapter 324."

Delete the title and insert:

"A bill for an act relating to commerce; authorizing local units of government to license the retail sale of tobacco; requiring a county to license the retail sale of tobacco under certain conditions; providing for mandatory suspension of licenses for sales to minors; amending Minnesota Statutes 1990, sections 461.12; 461.13; and 461.15; proposing coding for new law in Minnesota Statutes, chapter 461."

With the recommendation that when so amended the bill pass.

The report was adopted.

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 1494, A bill for an act relating to human services; requiring grants for demonstration programs to promote the self-sufficiency of public assistance recipients; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 256.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [256.7367] [COMMUNITY INVOLVEMENT DEMONSTRATION PROJECT (MAZEBUSTERS).]

Subdivision 1. [DEMONSTRATION PROGRAM ESTABLISHED.] (a) The commissioner of human services shall establish a demonstration program for recipients of public assistance to help them develop individual initiatives towards self-sufficiency and economic independence, promote their involvement in the community, enhance their self-esteem, and empower them to act on their own behalf in the community. The program shall consist of three components: participant training, volunteer peer counseling, and a volunteer work program.

Subd. 2. [DEFINITIONS.] For purposes of this section:

(1) "community-based agency" means a nonprofit organization, or a local unit of government administered by a board that has voting members who represent the communities it serves and has a history of working directly with low-income persons;

(2) "mazebuster program" or "program" means the demonstration program established under this section;

(3) "participant" means a participant in the mazebuster program;

(4) "public assistance" means AFDC, general assistance, and work readiness; and

(5) "community organization" means an agency that serves low-income people in the community and already relies on volunteers and preferably, has a volunteer coordinator.

Subd. 3. [PROGRAM COMPONENTS.] The mazebuster program must include:

(1) a training component in which participants learn listening and problem solving skills and information and referral and advocacy skills. The training must also cover intercultural and interpersonal communication, counseling, and the exercising of appropriate boundaries where the mazebuster learns to explain options rather than solve problems for the low-income people they assist. Training consists of 38 hours of training, eight hours per week, at the beginning of the program;

(2) group support in which participants meet weekly throughout their six-month volunteer placement to discuss personal problems, volunteer work experience issues, and receive additional training and support; and

(3) a volunteer work program in which participants volunteer in community organizations and apply the information and referral and advocacy skills learned in their training to provide services to low-income persons in their community. The volunteer work p

gram must enable mazebusters to be accepted and respected as valuable contributing members of the organizations they are placed in. Participants shall be required to volunteer four hours per week for six months.

Each demonstration program shall conduct two groups with ten persons in each group. The second group shall begin the training sessions after the first group has completed training and begun their volunteer work experience.

Subd. 4. [COMPENSATION FOR PARTICIPANTS.] Participants shall be reimbursed for transportation and child care costs incurred as a result of their participation in the mazebuster program. Upon successful completion of the mazebuster program, the participants shall receive \$500 in the form of a voucher.

Subd. 5. [SELECTION OF DEMONSTRATION COMMUNITIES.] (a) The commissioner shall seek proposals from community-based agencies for grants to administer the mazebuster demonstration programs and shall select demonstration program sites by July 1, 1992. The commissioner may approve proposals and award grants within the limitations of this subdivision.

(b) In awarding grants, the commissioner shall ensure that one program is established in the city of St. Paul or Minneapolis; one in a suburban area of the seven-county metropolitan area; one in a rural community outside the seven-county metropolitan area; and one in an urban area outside the seven-county metropolitan area.

(c) For a community-based agency's proposal to be considered for approval, the community-based agency must demonstrate that it has:

(1) a philosophy that supports the goals of the mazebuster program described in subdivision 1;

(2) the tools necessary to train participants as required by subdivision 3;

(3) a volunteer work program for participants or an arrangement for a volunteer work program in a community organization; and

(4) a staff that values and fosters the empowerment of participants to learn and act for themselves.

Subd. 6. [TECHNICAL ADVISORY COMMITTEE.] In selecting grant recipients, the commissioner shall appoint and consult with a volunteer technical advisory committee. The committee shall consist of a representative of the west Hennepin human services planning board who is familiar with the west Hennepin human services

planning board pilot program for welfare recipients; up to three persons who have successfully completed the west Hennepin human services planning board program, and a representative of the department of human services assistance payments division.

Subd. 7. [ENCOURAGING PARTICIPATION.] In cooperation with community-based agencies awarded grants under this section, county agencies shall disseminate information about the maze-buster program and shall recruit public assistance recipients to participate. Participation in the program shall be voluntary.

Subd. 8. [TECHNICAL ASSISTANCE.] The department of human services shall contract with the west Hennepin human services planning board to provide technical assistance to the demonstration program by July 1, 1992. No more than seven to ten percent of funds can be used for technical assistance.

Subd. 9. [EVALUATION.] The department of human services shall contract with an outside evaluator to conduct the program evaluation of the demonstration project and report back to the legislature by January 15, 1993, with a preliminary program evaluation. Final program evaluation shall be completed by September 1, 1993. Components of the program evaluation shall include: a needs assessment of each participant through entrance and exit interviews, including assessments that measure self-esteem; participant demographics and indications of steps toward self-sufficiency and economic independence; a written evaluation by the program participants; and a written evaluation by the volunteer work program.

Sec. 2. [APPROPRIATION.]

\$. . . . . is appropriated from the general fund to the commissioner of human services for the biennium ending June 30, 1993, for the purposes of section 1.

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 1861, A bill for an act relating to state lands; providing for the release of a state interest in certain property in the city of Minneapolis.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [MINNEAPOLIS UPPER HARBOR REVERTER.]

The commissioner of revenue on behalf of the state of Minnesota shall release certain land situated in the city of Minneapolis from a covenant requiring that the land be used exclusively for public harbor purposes, and declare that the state's reversionary interest in the land upon the violation of the covenant is void. Before releasing the land, the commissioner shall make a new covenant with the city providing that the land reverts to the state if it is used for other than public purposes.

The covenant and reversionary interest are contained in a conveyance of forfeited lands dated July 21, 1944, and recorded August 14, 1944, in the office of the county recorder, Hennepin county, as document no. 2246035. The land to be released is described as blocks 1 and 6, and that part of 37th Avenue North vacated between blocks 1 and 6, and blocks 2 and 5 and that part of 37th Avenue North vacated between blocks 2 and 5, all in D.L. Peck's rearrangement of D.L. Peck's addition to Minneapolis, Hennepin county, Minnesota.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 1876, A bill for an act relating to human services; defining certain terms; providing for certain child care funding; appropriating money; amending Minnesota Statutes 1990, sections 256H.01, subdivision 9, and by adding a subdivision; and 256H.10, subdivision 1; Minnesota Statutes 1991 Supplement, sections 256H.03, subdivisions 4 and 6; and 256H.05, subdivision 1b, and by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Skoglund from the Committee on Financial Institutions and Insurance to which was referred:

H. F. No. 1884, A bill for an act relating to financial institutions;

authorizing a banking institution that is a trustee to invest in certain investment companies and investment trusts; amending Minnesota Statutes 1990, sections 48.01, subdivision 1; 48.38, subdivision 6; 48.84; and 501B.10, subdivision 6.

Reported the same back with the following amendments:

Page 1, after line 16, insert:

“Sec. 2. Minnesota Statutes 1990, section 48.01, subdivision 2, is amended to read:

Subd. 2. [BANKING INSTITUTION.] The term “banking institution” means any bank, trust company, bank and trust company, or mutual savings bank which is now or may hereafter be organized under the laws of this state. For purposes of sections 48.38, 48.84, and 501B.10, subdivision 6, and to the extent permitted by federal law, “banking institution” includes any national banking association or affiliate exercising trust powers in this state.”

Page 2, line 23, after the period insert “This paragraph does not alter the degree of care and judgment required of trustees by section 501B.10, subdivision 1.”

Page 3, line 15, after the period insert “This paragraph does not alter the degree of care and judgment required of trustees by section 501B.10, subdivision 1.”

Page 5, line 1, delete “4” and insert “5”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, delete “subdivision 1” and insert “subdivisions 1 and 2”

With the recommendation that when so amended the bill pass.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 1929, A bill for an act relating to higher education; setting the cost of attendance for certain student financial aid;

amending Minnesota Statutes 1991 Supplement, section 136A.121, subdivision 6.

Reported the same back with the following amendments:

Page 1, line 22, strike "students" and insert "a student"

Page 1, line 23, after "attendance" insert "to the actual number of credits for which the student is enrolled"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Vellenga from the Committee on Judiciary to which was referred:

H. F. No. 1938, A bill for an act relating to real property; providing for mortgage satisfaction or release by fewer than all mortgagees; regulating various notice, hearing, and other procedures and requirements for foreclosures and other involuntary transfers of real property; clarifying provisions relating to notice of termination of contract for deed; amending Minnesota Statutes 1990, sections 508.57; 508.58; 508.67; 508A.58; 514.08, subdivision 2; 514.10; 559.21, subdivisions 2a and 3; 580.15; and 582.01, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 507; and 580.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1990, section 507.03, is amended to read:

507.03 [PURCHASE-MONEY MORTGAGE; NONJOINDER OF SPOUSE.]

When a spouse married individual purchases land real property during coverture marriage and mortgages the estate in such land real property to secure the payment of the purchase price or any portion thereof of it, the surviving other spouse shall not be entitled to any inchoate or, contingent, or marital property right or interest in such land the real property as against the mortgagee or those claiming under the mortgagee although such survivor even though the other spouse did not join in such the mortgage. A statement in



the mortgage to the effect that the mortgage is a purchase money mortgage constitutes prima facie evidence of that fact.

Sec. 2. [507.412] [MORTGAGE SATISFACTION OR RELEASE BY FEWER THAN ALL MORTGAGEES.]

A real estate mortgage securing an undivided debt owned by more than one mortgagee or assignee, including joint tenants, may be satisfied or released by an instrument executed by any one of the mortgagees or assigns unless the mortgage specifically states otherwise. The debt is presumed to be undivided unless the mortgage specifically states otherwise. This section does not affect the rights or liabilities of the holders of the debt secured by the mortgage as among themselves. Unless the mortgage specifically states otherwise, this section does not permit fewer than all of the holders of a mortgage to assign, amend, extend, or foreclose the mortgage, or to discharge the secured debt, as distinguished from satisfying or releasing the mortgage.

Sec. 3. Minnesota Statutes 1990, section 508.44, subdivision 2, is amended to read:

Subd. 2. [ALTERNATE PROCEEDING.] In lieu of the court directive to the registrar to issue a new duplicate certificate under subdivision 1, the registrar of titles shall issue such a duplicate certificate when directed to do so by the examiner of titles. The directive of the examiner shall be in writing after posting a notice addressed "TO WHOM IT MAY CONCERN" fixing a time when the examiner shall direct the issuance of a new duplicate certificate of title unless valid objections thereto are delivered to the examiner's office prior to the specified time. The notice shall be posted on a bulletin board provided for the posting of legal notices at the courthouse at least seven days prior to the date fixed for the issuance of the directive. No such directive shall be issued by the examiner unless all persons in interest have signed and verified a statement setting forth the facts relating to the reasons why the duplicate certificate cannot be produced, the statement is memorialized upon the certificate of title and there is satisfactory evidence as to the identity of the signers and the facts relating to the loss or destruction of the duplicate certificate of title. Persons in interest in the case of an owner's duplicate certificate are the registered owners or their probate representatives, and in the case of the mortgagee's or lessee's duplicate certificate the persons in interest are the registered owners of the mortgage or lease, as the case may be, or their probate representative.

Sec. 4. Minnesota Statutes 1990, section 508.45, is amended to read:

508.45 [COURT MAY ORDER DUPLICATE CERTIFICATE PRODUCED.]

If the registrar of titles is requested to enter a new certificate in pursuance of an instrument which purports to be executed by the registered owner, or by reason of any instrument or proceeding which divests the title of the registered owner against the registered owner's consent, and the outstanding owner's duplicate certificate is not presented for cancellation when such request is made, the registrar of titles shall not enter a new certificate, until authorized so to do by order of the district court. The person who claims to be entitled thereto may make application therefor to the district court, and after due notice and hearing, the court may order the registered owner, or any person withholding the duplicate certificate, to surrender it, and direct the entry of a new certificate upon such surrender. If the person withholding the duplicate certificate is not amenable to the process of the court, or if for any reason the outstanding owner's duplicate certificate cannot be delivered up, the court may by decree annul it, and order a new certificate of title to be entered. ~~If an outstanding mortgagee's or lessee's duplicate certificate is not produced and surrendered when the mortgage or lease is discharged, assigned, or extinguished, the same proceedings may be had to obtain registration as in the case of the nonproduction of an owner's duplicate.~~

Sec. 5. Minnesota Statutes 1990, section 508.55, is amended to read:

**508.55 [REGISTRATION OF MORTGAGE; MEMORIAL ENTERED ON CERTIFICATE.]**

The registration of a mortgage shall be made in the following manner: The owner's duplicate certificate shall be presented to the registrar, together with the mortgage deed, or other instrument to be registered, and the registrar shall enter upon the original certificate of title and also upon the owner's duplicate certificate a memorial of the purport of the instrument registered, the exact time of filing, and its file number. The registrar shall also note upon the registered instrument the time of filing and a reference to the volume and page where it is registered. ~~The registrar shall also, at the request of the mortgagee or assignee of the mortgage, make and deliver to the mortgagee or assignee a duplicate certificate of title like the owner's duplicate certificate, except that the words "Mortgagee's Duplicate" shall be written or printed diagonally across its face in large letters. A memorandum of the issuance of the mortgagee's duplicate shall be made upon the original certificate of title.~~

Sec. 6. Minnesota Statutes 1990, section 508.56, is amended to read:

**508.56 [ASSIGNMENT AND DISCHARGE OF MORTGAGE.]**

~~When a mortgage, upon which a mortgagee's duplicate has been issued, is assigned, extended, or otherwise dealt with, the mortgag-~~

ee's duplicate shall be presented to the registrar, together with the instrument dealing with the mortgage, and a memorial of the instrument, shall be made upon the mortgagee's duplicate and upon the original certificate of title. When the mortgage is discharged or otherwise extinguished the mortgagee's duplicate shall be surrendered and stamped "Canceled." In case only a part of the mortgage upon the land is intended to be released or discharged a memorial of such partial release shall be entered. The production of the mortgagee's duplicate certificate shall be conclusive authority to register the instrument therewith presented.

Sec. 7. Minnesota Statutes 1990, section 508.57, is amended to read:

508.57 [FORECLOSURE; NOTICE.]

Mortgages upon registered land may be foreclosed in the same manner as mortgages upon unregistered land. Where the mortgage is upon registered land it shall be sufficient to authorize the foreclosure thereof by advertisement, if such mortgage and all assignments thereof shall have been registered, and a memorial thereof duly entered upon the certificate of title. When a mortgage upon registered land is foreclosed by advertisement, the notice of foreclosure shall state the date of the mortgage, when and where registered, and the fact of registration. All laws relating to the foreclosure of mortgages upon unregistered land shall apply to mortgages upon registered land, or any estate or interest therein, except as herein provided, and except that a notice of the pendency of any suit or proceeding to enforce or foreclose the mortgage or other charge upon the land shall be filed with the registrar, and a memorial thereof entered on the register at the time of or prior to the commencement of such action or proceeding before the first date of publication of the foreclosure notice but not sooner than six months before the first date of publication. A notice so filed and registered shall be notice to the registrar and to all persons thereafter dealing with the land or any part thereof and shall satisfy the requirements of section 580.032, subdivision 3, with respect to registered land. When a mortgagee's duplicate certificate has been issued it shall be presented to the registrar at the time of filing and a memorial thereof entered therein. In all such foreclosures all certificates and affidavits permitted or required by law to be recorded with the county recorder shall be filed with and registered by the registrar.

Sec. 8. Minnesota Statutes 1990, section 508.58, is amended to read:

508.58 [REGISTRATION AFTER FORECLOSURE; NEW CERTIFICATE.]

Subdivision 1. [COURT ORDER.] Any person who has, by an

action or other proceeding to enforce or foreclose a mortgage, lien, or other charge upon registered land, become the owner in fee of the land, or any part thereof, may have the title registered. Except as provided in subdivision 2, the owner shall apply by duly verified petition to the court for a new certificate of title to such land, and the court shall thereupon, after due notice to all parties in interest and upon such hearing as the court may direct, make an order or decree for the issuance of a new certificate of title to the person entitled thereto, and the registrar shall thereupon enter a new certificate of title to the land, or of the part thereof to which the applicant petitioner is entitled, and issue an owner's duplicate as in the case of a voluntary conveyance.

Subd. 2. [EXAMINER OF TITLES DIRECTIVE.] Any person who has become the owner in fee of registered land, or any part of the land, pursuant to a mortgage foreclosure by action under chapter 581 is entitled to a new certificate of title for the land described in the sheriff's certificate of sale or so much of the land as may be described in the certificate of title, after the redemption period expires. The registrar shall enter the new certificate of title and issue a new owner's duplicate certificate only pursuant to the court order provided in subdivision 1 or upon the written directive of the examiner of titles as to the legal sufficiency of the mortgage foreclosure proceeding. The directive of the examiner of titles also must specify the instruments the registrar shall omit from the new certificate of title by virtue of the foreclosure.

Sec. 9. Minnesota Statutes 1990, section 508.59, is amended to read:

508.59 [REGISTRATION OF JUDGMENT OR FINAL DECREE.]

A judgment or decree affecting registered land shall be registered upon the presentation of a certified copy thereof to the registrar, who shall enter a memorial thereof upon the original certificate of title, and upon the owner's duplicate, ~~and upon any outstanding mortgagee's or lessee's duplicate~~, if practicable so to do. When the registered owner of such land is by such judgment or decree divested of an estate in fee therein, or of any part thereof, the prevailing party shall be entitled to a new certificate of title for the land, or so much thereof as may be described in the judgment and decree, and the registrar shall enter such new certificate of title and issue a new owner's duplicate certificate as in the case of a voluntary conveyance. No such new certificate shall be entered except upon the written certification of the examiner of titles as to the legal sufficiency of the documents presented for filing for the purpose of issuance of a new certificate or upon the order of the district court directing the issuance thereof.

Sec. 10. Minnesota Statutes 1990, section 508.67, is amended to read:

## 508.67 [ACQUIRING TITLE BY ACTION; NEW CERTIFICATE.]

Subdivision 1. [COURT ORDER.] Upon the expiration of the time allowed by law for redemption of registered land, after it has been set off, or sold on execution, or taken or sold for the enforcement of any lien, or charge of any nature, the person who claims under such execution, or under any certificate, deed, or other instrument made in the course of proceedings to enforce such execution or lien, may apply to the court for an order directing the entry of a new certificate to that person, and upon such notice as the court may require, the petition shall be heard and a proper order or decree rendered therein. In case the claim of title is based upon a tax certificate, tax or assessment deed, the petition or application shall be filed with the court administrator, who shall docket the same in the land registration docket, and a copy thereof, certified by the court administrator, shall, by the petitioner, be filed with the registrar who shall enter upon the register a memorial thereof, which shall have the force and effect of a *lis pendens*. Such an application of the petitioner The petition shall be referred to the examiner of titles for examination and report in like manner as herein provided for the reference of initial applications for registration. The summons shall be issued in the form and served in the manner as in initial applications. ~~Such an application~~ The petition shall be heard by the court and the ~~applicant~~ petitioner shall be required to show affirmatively that all the requirements of the statute to entitle the ~~applicant~~ petitioner to register the title have been complied with. ~~The decree order~~ shall show the condition of the title to such land and who is the owner thereof. It shall provide, if the ~~applicant~~ petitioner is found to be the owner, for the cancellation of the outstanding certificate and the registrar shall issue a new certificate for the land in lieu and in place of the outstanding certificate upon presentation to the registrar of a duly certified copy of such ~~decree order~~, according to its terms. ~~If the applicant is not adjudged to be the owner then the decree shall provide for the cancellation of the memorial of the registration of the certified copy of the application.~~

Subd. 2. [EXAMINER OF TITLES DIRECTIVE.] Any person holding title to registered land pursuant to forfeiture evidenced by a county auditor's certificate of forfeiture, or auditor's certificate of sale or state assignment certificate that has been memorialized upon a certificate of title for at least ten years is entitled to a new certificate of title for the land, or so much of the land as may be described in the forfeiture documents. The registrar shall enter the new certificate of title and issue a new owner's duplicate certificate only pursuant to court order or upon the written directive of the examiner of titles as to the legal sufficiency of the forfeiture. The directive of the examiner of titles also must specify the instruments the registrar shall omit from the new certificate of title by virtue of the forfeiture.

Sec. 11. Minnesota Statutes 1990, section 508.71, subdivision 6, is amended to read:

Subd. 6. [RECORDED INSTRUMENTS.] When instruments affecting registered land have been recorded in the office of any county recorder in this state, a certified copy thereof may be filed for registration and registered with like effect as the original instrument without the order or directive. The owner's, mortgagee's, or lessee's duplicate certificate of title shall be presented to the registrar, together with the certified copy, whenever the presentation is required by statute for registration of the original instrument.

Sec. 12. Minnesota Statutes 1990, section 508.73, is amended to read:

508.73 [EMINENT DOMAIN; REVERSION; VACATION.]

Subdivision 1. [REGISTRATION FILING; NEW CERTIFICATE; MEMORIALS; REVERSION.] If the land of a registered owner, or any right, title, interest, or estate therein is taken by eminent domain, the state or body politic, or other authority which exercises such right, shall file for registration a written certified copy of a final certificate or a certified copy of a court order transferring title pursuant to section 117.042 together with an instrument containing a description of the land so taken, together with the name of each owner thereof, and referring to each certificate of title by its number and place of registration in the register of titles, and stating what estate or interest in the land is taken, and for what purpose. A memorial of the right, title, interest, or estate thus taken shall be made upon each certificate of title by the registrar, and if the fee is taken, a new certificate shall be entered in the name of the owner for the land remaining to the owner after such taking. A new certificate may not be entered except by order of the district court or upon the written certification of the examiner of titles as to the legal sufficiency of the final certificate or court order pursuant to section 117.042 and other instruments presented for filing for the purpose of issuance of a new certificate. If the owner has a lien for damages upon the land thus taken, this fact shall be stated in the memorial of registration. All fees on account of any memorial of registration or entry of new certificates for land thus taken shall be paid by the state or body politic or other authority which takes the land. If land which was taken for public use reverts, by operation of law, to the owner or to the owner's heirs or assigns, the district court, upon the application of the person entitled to the benefit of such reversion, and after due notice and hearing, may order the entry of a new certificate of title to the person entitled thereto.

Subd. 2. [VACATION OF STREET OR ALLEY; LEGAL DESCRIPTION.] Upon the filing of a certified copy of a resolution or ordinance by a city vacating an adjoining street or alley that was dedicated to the public in a plat, a registered owner is entitled to have added to the legal description on the certificate of title that part of the vacated street or alley that accrues to it, provided the vacation

occurred after the land was originally registered. The vacated street or alley may be added to the certificate of title by order of the district court or by a written directive from the examiner of titles.

Sec. 13. Minnesota Statutes 1991 Supplement, section 508.82, is amended to read:

508.82 [REGISTRAR'S FEES.]

The fees to be paid to the registrar shall be as follows:

(1) of the fees provided herein, five percent of the fees collected under clauses (3), (4), ~~(11)~~ (10), (12), (13), (14), ~~(15)~~ (16), (17), and (18), and ~~(19)~~, for filing or memorializing shall be paid to the state treasurer and credited to the general fund;

(2) for registering each original certificate of title, and issuing a duplicate of it, \$30;

(3) for registering each instrument transferring the fee simple title for which a new certificate of title is issued and for the issuance and registration of the new certificate of title, \$30;

(4) for the entry of each memorial on a certificate and endorsements upon duplicate certificates, \$15;

~~(5) for issuing each mortgagee's or lessee's duplicate, \$10;~~

~~(6) for issuing each residue certificate, \$20;~~

~~(7)~~ (6) for exchange certificates, \$10 for each certificate canceled and \$10 for each new certificate issued;

~~(8)~~ (7) for each certificate showing condition of the register, \$10;

(9) (8) for any certified copy of any instrument or writing on file in the registrar's office, the same fees allowed by law to county recorders for like services;

~~(10)~~ (9) for a noncertified copy of any instrument or writing on file in the office of the registrar of titles, or any specified page or part of it, an amount as determined by the county board for each page or fraction of a page specified. If computer or microfilm printers are used to reproduce the instrument or writing, a like amount per image;

~~(11)~~ (10) for filing two copies of any plat in the office of the registrar, \$30;

~~(12)~~ (11) for any other service under this chapter, such fee as the court shall determine;

~~(13)~~ (12) for issuing a duplicate certificate of title pursuant to the directive of the examiner of titles in counties in which the compensation of the examiner is paid in the same manner as the compensation of other county employees, \$50, plus \$10 to memorialize;

~~(14)~~ (13) for issuing a duplicate certificate of title pursuant to the directive of the examiner of titles in counties in which the compensation of the examiner is not paid by the county or pursuant to an order of the court, \$10;

~~(15)~~ (14) for filing a condominium plat or an amendment to it in accordance with chapter 515, \$30;

~~(16)~~ (15) for a copy of a condominium plat filed pursuant to chapters 515 and 515A, the fee shall be \$1 for each page of the condominium plat with a minimum fee of \$10;

~~(17)~~ (16) for filing a condominium declaration and plat or an amendment to it in accordance with chapter 515A, \$10 for each certificate upon which the document is registered and \$30 for the filing of the condominium plat or an amendment thereto;

~~(18)~~ (17) for the filing of a certified copy of a plat of the survey pursuant to section 508.23 or 508.671, \$10;

~~(19)~~ (18) for filing a registered land survey in triplicate in accordance with section 508.47, subdivision 4, \$30;

~~(20)~~ (19) for furnishing a certified copy of a registered land survey in accordance with section 508.47, subdivision 4, \$10.

Sec. 14. Minnesota Statutes 1990, section 508.835, is amended to read:

508.835 [DISPOSAL OF CANCELED DUPLICATE CERTIFICATES AND RECEIPT CARDS.]

The registrar of titles is hereby authorized to destroy owner's duplicate certificates marked "canceled," upon the entry of a new owner's duplicate certificate, ~~mortgagee's duplicate certificates marked "canceled"~~ and the receipt cards for such "canceled" certificates.

Sec. 15. Minnesota Statutes 1990, section 508A.11, subdivision 3, is amended to read:



Subd. 3. [FEES.] Before the examiner of titles examines the abstract of title, the applicant shall pay to the registrar of titles the fee provided by section 508A.82, clause (48) (17).

Sec. 16. Minnesota Statutes 1990, section 508A.44, subdivision 2, is amended to read:

Subd. 2. [ALTERNATE PROCEEDING.] In lieu of the court directive to the registrar to issue a new duplicate CPT under subdivision 1, the registrar of titles shall issue a duplicate CPT when directed to do so by the examiner of titles. The directive of the examiner shall be in writing after posting a notice addressed "TO WHOM IT MAY CONCERN" fixing a time when the examiner shall direct the issuance of a new duplicate CPT unless valid objections to it are delivered to the examiner's office prior to the specified time. The notice shall be posted on a bulletin board provided for the posting of legal notices at the courthouse at least seven days prior to the date fixed for the issuance of the directive. No directive shall be issued by the examiner unless all persons in interest have signed and verified a statement setting forth the facts relating to the reasons why the duplicate CPT cannot be produced, the statement is memorialized upon the CPT and there is satisfactory evidence as to the identity of the signers and the facts relating to the loss or destruction of the duplicate CPT. Persons in interest in the case of an owner's duplicate CPT are the registered owners or their probate representatives; and in the case of the mortgagee's or lessee's duplicate CPT, the persons in interest are the registered owners of the mortgage or lease, as the case may be, or their probate representative.

Sec. 17. Minnesota Statutes 1990, section 508A.45, is amended to read:

**508A.45 [COURT MAY ORDER DUPLICATE CPT PRODUCED.]**

If the registrar of titles is requested to enter a new CPT in pursuance of an instrument which purports to be executed by the registered owner, or by reason of any instrument or proceeding which divests the title of the registered owner against the registered owner's consent, and the outstanding owner's duplicate CPT is not presented for cancellation when the request is made, the registrar of titles shall not enter a new CPT until authorized so to do by order of the district court. The person who claims to be entitled to it may apply for it to the district court, and after due notice and hearing, the court may order the registered owner, or any person withholding the duplicate CPT, to surrender it, and direct the entry of a new CPT upon the surrender. If the person withholding the duplicate CPT is not amenable to the process of the court, or if for any reason the outstanding owner's duplicate CPT cannot be delivered up, the court may by decree annul it, and order a new CPT to be entered. ~~If an outstanding mortgagee's or lessee's duplicate CPT is not produced~~

and surrendered when the mortgage or lease is discharged, assigned, or extinguished, the same proceedings may be had to obtain registration as in the case of the nonproduction of an owner's duplicate.

Sec. 18. Minnesota Statutes 1990, section 508A.55, is amended to read:

**508A.55 [REGISTRATION OF MORTGAGE; MEMORIAL ENTERED ON CERTIFICATE.]**

The registration of a mortgage shall be made in the following manner: The owner's duplicate CPT shall be presented to the registrar, together with the mortgage deed, or other instrument to be registered, and the registrar shall enter upon the original CPT and also upon the owner's duplicate CPT a memorial of the purport of the instrument registered, the exact time of filing, and its file number. The registrar shall also note upon the registered instrument the time of filing and a reference to the volume and page where it is registered. The registrar shall also, at the request of the mortgagee or assignee of the mortgagee, make and deliver to the mortgagee or assignee a duplicate CPT like the owner's duplicate CPT, except that the words "Mortgagee's Duplicate" shall be written or printed diagonally across its face in large letters. A memorandum of the issuance of the mortgagee's duplicate shall be made upon the original CPT.

Sec. 19. Minnesota Statutes 1990, section 508A.56, is amended to read:

**508A.56 [ASSIGNMENT AND DISCHARGE OF MORTGAGE.]**

When a mortgage, upon which a mortgagee's duplicate has been issued, is assigned, extended, or otherwise dealt with, the mortgagee's duplicate shall be presented to the registrar, together with the instrument dealing with the mortgage, and a memorial of the instrument, shall be made upon the mortgagee's duplicate and upon the original CPT. When the mortgage is discharged or otherwise extinguished the mortgagee's duplicate shall be surrendered and stamped "Canceled." In case only a part of the mortgage upon the land is intended to be released or discharged, a memorial of the partial release shall be entered. The production of the mortgagee's duplicate CPT shall be conclusive authority to register the instrument presented with it.

Sec. 20. Minnesota Statutes 1990, section 508A.57, is amended to read:

**508A.57 [FORECLOSURE; NOTICE.]**

Mortgages upon land registered under sections 508A.01 to

508A.85 may be foreclosed in the same manner as mortgages upon unregistered land. Where the mortgage is upon registered land it shall be sufficient to authorize the foreclosure of it by advertisement, if the mortgage and all assignments of it have been registered, and a memorial of it duly entered upon the CPT. When a mortgage upon the registered land is foreclosed by advertisement, the notice of foreclosure shall state the date of the mortgage, when and where registered, and the fact of registration. All laws relating to the foreclosure of mortgages upon unregistered land shall apply to mortgages upon land registered under sections 508A.01 to 508A.85, or any estate or interest therein, except as herein provided, and except that a notice of the pendency of any suit or proceeding to enforce or foreclose the mortgage or other charge upon the land shall be filed with the registrar, and a memorial of it entered on the register ~~at the time of or prior to the commencement of the action or proceeding before the first date of publication of the foreclosure notice but not sooner than six months before the first date of publication.~~ A notice so filed and registered shall be notice to the registrar and to all persons thereafter dealing with the land or any part of it and satisfies the requirements of section 580.032, subdivision 3, with respect to registered land. When a mortgagee's duplicate CPT has been issued it shall be presented to the registrar at the time of filing and a memorial of it entered. In all foreclosures, all certificates and affidavits permitted or required by law to be recorded with the county recorder shall be filed with the registrar who shall register them.

Sec. 21. Minnesota Statutes 1990, section 508A.58, is amended to read:

508A.58 [REGISTRATION AFTER FORECLOSURE; NEW CPT.]

Subdivision 1. [COURT ORDER.] Any person who has, by an action or other proceeding to enforce or foreclose a mortgage, lien, or other charge upon land registered under sections 508A.01 to 508A.85, become the owner in fee of the land, or any part of it, may have the title registered. Except as provided in subdivision 2, the person shall apply by duly verified petition to the court for a new CPT to the land, and the court shall then, after due notice to all parties in interest and upon the hearing as the court may direct, make an order or decree for the issuance of a new CPT to the person entitled thereto, and the registrar shall then enter a new CPT to the land, or of the part of it to which the ~~applicant~~ petitioner is entitled, and issue an owner's duplicate as in the case of a voluntary conveyance.

Subd. 2. [EXAMINER OF TITLES DIRECTIVE.] Any person who has become the owner in fee of land registered under sections 508A.01 to 508A.85, or any part of the land, pursuant to a mortgage foreclosure by action under chapter 581 is entitled to a new CPT for the land described in the sheriff's certificate of sale or so much of the

land as may be described in the certificate of title, after the redemption period expires. The registrar shall enter a new CPT and issue a new owner's duplicate certificate only pursuant to the court order provided in subdivision 1 or upon the written directive of the examiner of titles as to the legal sufficiency of the mortgage foreclosure proceeding. The directive of the examiner of titles also must specify the instruments the registrar shall omit from the new CPT by virtue of the foreclosure.

Sec. 22. Minnesota Statutes 1990, section 508A.59, is amended to read:

**508A.59 [REGISTRATION OF JUDGMENT OR FINAL DECREE.]**

A judgment or decree affecting land registered under sections 508A.01 to 508A.85 shall be registered upon the presentation of a certified copy of it to the registrar, who shall enter a memorial of it upon the original CPT; and upon the owner's duplicate, ~~and upon any outstanding mortgagee's or lessee's duplicate~~, if practicable so to do. When the registered owner of the land is by the judgment or decree divested of an estate in fee in it, or of any part of it, the prevailing party shall be entitled to a new CPT for the land, or so much of it as is described in the judgment and decree. The registrar shall enter the new CPT and issue a new owner's duplicate CPT as in the case of a voluntary conveyance. No new CPT shall be entered except upon the written certification of the examiner of titles as to the legal sufficiency of the documents presented for filing for the purpose of issuance of a new CPT or upon the order of the district court directing the issuance of it.

Sec. 23. Minnesota Statutes 1990, section 508A.71, subdivision 6, is amended to read:

**Subd. 6. [CERTIFIED COPIES OF INSTRUMENTS; FILING.]** When instruments affecting land registered under sections 508A.01 to 508A.85 have been recorded in the office of any county recorder in this state, a certified copy of it may be filed for registration and registered with like effect as the original instrument without an order or directive. The owner's, ~~mortgagee's, or lessee's~~ duplicate CPT shall be presented to the registrar, together with the certified copy, whenever the presentation is required by statute for registration of the original instrument.

Sec. 24. Minnesota Statutes 1990, section 508A.73, is amended to read:

**508A.73 [EMINENT DOMAIN; REVERSION; VACATION.]**

**Subdivision 1. [REGISTRATION FILING; NEW CPT; MEMORI-**

ALS; REVERSION.] If the land of a registered owner, or any right, title, interest, or estate in it is taken by eminent domain, the state or body politic, or other authority which exercises the right, shall file for registration a ~~written certified copy of a final certificate or a certified copy of a court order transferring title pursuant to section 117.042 together with an instrument containing a description of the land taken, together with the name of each owner of it, and referring to each CPT by its number and place of registration in the register of titles, and stating what estate or interest in the land is taken, and for what purpose. A memorial of the right, title, interest, or estate thus taken shall be made upon each CPT by the registrar. If the fee is taken, a new CPT shall be entered in the name of the owner for the land remaining to the owner after the taking. A new CPT may not be entered except by order of the district court or upon the written certification of the examiner of titles as to the legal sufficiency of the final certificate or court order pursuant to section 117.042 and other instruments presented for filing for the purpose of issuance of a new CPT.~~ If the owner has a lien for damages upon the land thus taken, this fact shall be stated in the memorial of registration. All fees on account of any memorial of registration or entry of new CPTs for land thus taken shall be paid by the state or body politic or other authority which takes the land. If land which was taken for public use reverts, by operation of law, to the owner or to heirs or assigns, the district court, upon the application of the person entitled to the benefit of the reversion, and after due notice and hearing, may order the entry of a new CPT to the person entitled to it.

Subd. 2. [VACATION OF STREET OR ALLEY; LEGAL DESCRIPTION.] Upon the filing of a certified copy of a resolution or ordinance by a city vacating an adjoining street or alley that was dedicated to the public in a plat, a registered owner is entitled to have added to the legal description on the CPT that part of the vacated street or alley that accrues to it, provided the vacation occurred after the land was originally registered. The vacated street or alley may be added to the CPT by order of the district court or by a written directive from the examiner of titles.

Sec. 25. Minnesota Statutes 1991 Supplement, section 508A.82, is amended to read:

508A.82 [REGISTRAR'S FEES.]

The fees to be paid to the registrar shall be as follows:

(1) of the fees provided herein, five percent of the fees collected under clauses (3), (4), ~~(11)~~ (10), (12), (13), (14), ~~(15)~~, ~~(17)~~ 16, and ~~(19)~~ 18, for filing or memorializing shall be paid to the state treasurer and credited to the general fund;

(2) for registering each original CPT, and issuing a duplicate of it, \$30;

(3) for registering each instrument transferring the fee simple title for which a new CPT is issued and for the issuance and registration of the new CPT, \$30;

(4) for the entry of each memorial on a certificate and endorsements upon duplicate CPTs, \$15;

(5) ~~for issuing each mortgagee's or lessee's duplicate, \$10;~~

(6) for issuing each residue CPT, \$20;

(7) (6) for exchange CPTs, \$10 for each CPT canceled and \$10 for each new CPT issued;

(8) (7) for each certificate showing condition of the register, \$10;

(9) (8) for any certified copy of any instrument or writing on file in the registrar's office, the same fees allowed by law to county recorders for like services;

(10) (9) for a noncertified copy of any instrument or writing on file in the office of the registrar of titles, or any specified page or part of it, an amount as determined by the county board for each page or fraction of a page specified. If computer or microfilm printers are used to reproduce the instrument or writing, a like amount per image;

(11) (10) for filing two copies of any plat in the office of the registrar, \$30;

(12) (11) for any other service under sections 508A.01 to 508A.85, the fee the court shall determine;

(13) (12) for issuing a duplicate CPT pursuant to the directive of the examiner of titles in counties in which the compensation of the examiner is paid in the same manner as the compensation of other county employees, \$50, plus \$10 to memorialize;

(14) (13) for issuing a duplicate CPT pursuant to the directive of the examiner of titles in counties in which the compensation of the examiner is not paid by the county or pursuant to an order of the court, \$10;

(15) (14) for filing a condominium plat or an amendment to it in accordance with chapter 515, \$30;

(16) (15) for a copy of a condominium plat filed pursuant to chapters 515 and 515A, the fee shall be \$1 for each page of the plat with a minimum fee of \$10;

(17) (16) for filing a condominium declaration and condominium plat or an amendment to it in accordance with chapter 515A, \$10 for each certificate upon which the document is registered and \$30 for the filing of the condominium plat or an amendment to it;

(18) (17) in counties in which the compensation of the examiner of titles is paid in the same manner as the compensation of other county employees, for each parcel of land contained in the application for a CPT, as the number of parcels is determined by the examiner, a fee which is reasonable and which reflects the actual cost to the county, established by the board of county commissioners of the county in which the land is located;

(19) (18) for filing a registered land survey in triplicate in accordance with section 508A.47, subdivision 4, \$30;

(20) (19) for furnishing a certified copy of a registered land survey in accordance with section 508A.47, subdivision 4, \$10.

Sec. 26. Minnesota Statutes 1990, section 508A.835, is amended to read:

**508A.835 [DISPOSAL OF CANCELED DUPLICATE CPTS AND RECEIPT CARDS.]**

The registrar of titles is authorized to destroy owner's duplicate CPTs marked "canceled," upon the entry of a new owner's duplicate CPT, mortgagee's duplicate CPTs marked "canceled" and the receipt cards for the "canceled" CPTs.

Sec. 27. Minnesota Statutes 1990, section 508A.85, subdivision 3, is amended to read:

Subd. 3. [CHANGEOVER AT REQUEST OF OWNER.] Subsequent to the expiration of the five year period set forth in section 508A.17, any registered owner of a CPT may file with the registrar of titles a request for a changeover, and upon payment of the fee for an exchange as specified in section 508A.82, clause (7) (6), the registrar shall issue a certificate of title and cancel the CPT.

Sec. 28. Minnesota Statutes 1990, section 514.08, subdivision 2, is amended to read:

Subd. 2. [STATEMENT BY LIEN CLAIMANT; REQUIREMENTS.] Such statement shall be made by or at the instance of the lien claimant, be verified by the oath of some person shown by such verification to have knowledge of the facts stated, and shall set forth:

(1) A notice of intention to claim and hold a lien, and the amount thereof;

(2) That such amount is due and owing to the claimant for labor performed, or for skill, material, or machinery furnished, and for what improvement the same was done or supplied;

(3) The names of the claimant, and of the person for or to whom performed or furnished;

(4) The dates when the first and last items of the claimant's contribution to the improvement were made;

(5) A description of the premises to be charged, identifying the same with reasonable certainty;

(6) The name of the owner thereof at the time of making such statement, according to the best information then had;

(7) The post office address of the claimant. (The failure to insert such post office address shall not invalidate the lien statement);

(8) That claimant acknowledges that a copy of such the statement has been must be served personally or mailed to by certified mail within the 120-day period provided in this section on the owner, the owner's authorized agent or the person who entered into the contract with the contractor as provided herein; and

(9) That notice as required by section 514.011, subdivision 2, if any, was given.

Sec. 29. Minnesota Statutes 1990, section 518.54, subdivision 5, is amended to read:

Subd. 5. [MARITAL PROPERTY; EXCEPTIONS.] "Marital property" means property, real or personal, including vested public or private pension plan benefits or rights, acquired by the parties, or either of them, to a dissolution, legal separation, or annulment proceeding at any time during the existence of the marriage relation between them, or at any time during which the parties were living together as husband and wife under a purported marriage relationship which is annulled in an annulment proceeding, but prior to the date of valuation under section 518.58, subdivision 1. All property acquired by either spouse subsequent to the marriage and before the valuation date is presumed to be marital property regardless of whether title is held individually or by the spouses in a form of coownership such as joint tenancy, tenancy in common, tenancy by the entirety, or community property. Each spouse shall be deemed to have a common ownership in marital property that vests not later than the time of the entry of the decree in a proceeding for dissolution or annulment. The extent of the vested interest shall be determined and made final by the court pursuant to section 518.58. If a title interest in real property is held individually by only one



spouse, the interest in the real property of the nontitled spouse shall not be subject to claims of creditors or judgment or tax liens until the time of entry of the decree awarding an interest to the nontitled spouse. The presumption of marital property is overcome by a showing that the property is nonmarital property.

“Nonmarital property” means property real or personal, acquired by either spouse before, during, or after the existence of their marriage, which

(a) is acquired as a gift, bequest, devise or inheritance made by a third party to one but not to the other spouse;

(b) is acquired before the marriage;

(c) is acquired in exchange for or is the increase in value of property which is described in clauses (a), (b), (d), and (e);

(d) is acquired by a spouse after the valuation date; or

(e) is excluded by a valid antenuptial contract.

Sec. 30. Minnesota Statutes 1990, section 559.21, subdivision 2a, is amended to read:

Subd. 2a. [TERMINATION NOTICE FOR CONTRACT EXECUTED AFTER JULY 31, 1985.] If a default occurs in the conditions of a contract for the conveyance of real estate or an interest in real estate executed on or after August 1, 1985, that gives the seller a right to terminate it, the seller may terminate the contract by serving upon the purchaser or the purchaser's personal representatives or assigns, within or outside of the state, a notice specifying the conditions in which default has been made. The notice must state that the contract will terminate 60 days, or a shorter period allowed in subdivision 4, after the service of the notice, unless prior to the termination date the purchaser:

(1) complies with the conditions in default;

(2) makes all payments due and owing to the seller under the contract through the date that payment is made;

(3) pays the costs of service of the notice, including the reasonable costs of service by sheriff, public officer, or private process server; except payment of costs of service is not required unless the seller notifies the purchaser of the actual costs of service by certified mail to the purchaser's last known address at least ten days prior to the date of termination;

(4) except for earnest money contracts, purchase agreements, and exercised options, pays two percent of any amount in default at the time of service, not including the final balloon payment, any taxes, assessments, mortgages, or prior contracts that are assumed by the purchaser; and

(5) pays an amount to apply on attorneys' fees actually expended or incurred, of \$125 if the amount in default is less than \$750, and of \$250 if the amount in default is \$750 or more; except no amount for attorneys' fees is required to be paid unless some part of the conditions of default has existed for at least 30 days prior to the date of service of the notice.

Sec. 31. Minnesota Statutes 1990, section 559.21, subdivision 3, is amended to read:

Subd. 3. For purposes of this section, the term "notice" means a writing stating the information required in this section, stating the name, address and telephone number of the seller or of an attorney authorized by the seller to accept payments pursuant to the notice and the fact that the person named is authorized to receive the payments, and including the following information in 12-point or larger underlined upper-case type, or 8-point type if published, or in large legible handwritten letters:

**THIS NOTICE IS TO INFORM YOU THAT BY THIS NOTICE THE SELLER HAS BEGUN PROCEEDINGS UNDER MINNESOTA STATUTES, SECTION 559.21, TO TERMINATE YOUR CONTRACT FOR THE PURCHASE OF YOUR PROPERTY FOR THE REASONS SPECIFIED IN THIS NOTICE. THE CONTRACT WILL TERMINATE ..... DAYS AFTER (SERVICE OF THIS NOTICE UPON YOU) (THE FIRST DATE OF PUBLICATION OF THIS NOTICE) UNLESS BEFORE THEN:**

**(a) THE PERSON AUTHORIZED IN THIS NOTICE TO RECEIVE PAYMENTS RECEIVES FROM YOU:**

**(1) THE AMOUNT THIS NOTICE SAYS YOU OWE; PLUS**

**(2) THE COSTS OF SERVICE (TO BE SENT TO YOU); PLUS**

**(3) \$..... TO APPLY TO ATTORNEYS' FEES ACTUALLY EXPENDED OR INCURRED; PLUS**

**(4) FOR CONTRACTS EXECUTED ON OR AFTER MAY 1, 1980, ANY ADDITIONAL PAYMENTS BECOMING DUE UNDER THE CONTRACT TO THE SELLER AFTER THIS NOTICE WAS SERVED ON YOU; PLUS**

**(5) FOR CONTRACTS, OTHER THAN EARNEST MONEY CON-**

TRACTS, PURCHASE AGREEMENTS, AND EXERCISED OPTIONS, EXECUTED ON OR AFTER AUGUST 1, 1985, \$.... (WHICH IS TWO PERCENT OF THE AMOUNT IN DEFAULT AT THE TIME OF SERVICE OTHER THAN THE FINAL BALLOON PAYMENT, ANY TAXES, ASSESSMENTS, MORTGAGES, OR PRIOR CONTRACTS THAT ARE ASSUMED BY YOU); OR

(b) YOU SECURE FROM A COUNTY OR DISTRICT COURT AN ORDER THAT THE TERMINATION OF THE CONTRACT BE SUSPENDED UNTIL YOUR CLAIMS OR DEFENSES ARE FINALLY DISPOSED OF BY TRIAL, HEARING OR SETTLEMENT. YOUR ACTION MUST SPECIFICALLY STATE THOSE FACTS AND GROUNDS THAT DEMONSTRATE YOUR CLAIMS OR DEFENSES.

IF YOU DO NOT DO ONE OR THE OTHER OF THE ABOVE THINGS WITHIN THE TIME PERIOD SPECIFIED IN THIS NOTICE, YOUR CONTRACT WILL TERMINATE AT THE END OF THE PERIOD AND YOU WILL LOSE ALL THE MONEY YOU HAVE PAID ON THE CONTRACT; YOU WILL LOSE YOUR RIGHT TO POSSESSION OF THE PROPERTY; YOU MAY LOSE YOUR RIGHT TO ASSERT ANY CLAIMS OR DEFENSES THAT YOU MIGHT HAVE; AND YOU WILL BE EVICTED. IF YOU HAVE ANY QUESTIONS ABOUT THIS NOTICE, CONTACT AN ATTORNEY IMMEDIATELY.

Sec. 32. [580.032] [REQUEST FOR NOTICE; MAILED NOTICE.]

Subdivision 1. [FILING REQUEST FOR NOTICE.] A person having a redeemable interest in real property under section 580.23 or 580.24, may file for record a request for notice of a mortgage foreclosure by advertisement with the county recorder or registrar of titles of the county where the property is located.

Subd. 2. [CONTENT REQUIREMENTS.] A request for notice must specify: (1) the name and mailing address of the person requesting notice; (2) a legal description of the real property; (3) a description of the person's redeemable interest including, if applicable, the date and recording information of the document creating the interest; and (4) a request for notice of a mortgage foreclosure by advertisement. The request must be executed and acknowledged by the person requesting notice.

Subd. 3. [NOTICE OF PENDENCY.] A person foreclosing a mortgage by advertisement shall file for record a notice of the pendency of the foreclosure with the county recorder or registrar of titles in the county in which the property is located before the first date of publication of the foreclosure notice but not more than six months before the first date of publication.

Subd. 4. [MAILED NOTICE.] A person foreclosing a mortgage by

advertisement shall mail, at least 14 days before the date of sale, a copy of the notice of sale to each person requesting notice in a recorded request for notice at the address specified in the recorded request for notice. Mailed notice is deemed given upon deposit in the United States mail first class, postage prepaid, and addressed to the person requesting notice. Notice need not be mailed to a person: (1) whose request for notice was recorded before the recording of the mortgage being foreclosed or after the recording of the notice of pendency provided in subdivision 3; (2) served pursuant to section 580.03; or (3) who no longer has a redeemable interest.

Subd. 5. [EFFECT OF FAILURE TO MAIL NOTICE.] If a person foreclosing a mortgage by advertisement fails to mail a notice of the sale in accordance with subdivision 4, the failure does not invalidate the foreclosure.

Subd. 6. [REMEDIES.] If notice of the sale is not mailed in accordance with subdivision 4 to a person with a properly recorded request for notice, the person requesting notice has a cause of action against the person foreclosing the mortgage for money damages for the lesser of: (1) the equity in the mortgaged premises that would have been available to the person if the person had redeemed; or (2) the value of the person's redeemable interest. The value of a lien holder's redeemable interest is the amount due on and secured by the lien. The person requesting notice has the burden of proving that the notice of the sale was not mailed in accordance with subdivision 4 and that the person requesting notice had a valid redeemable interest in the mortgaged premises, had measurable damages, had the financial ability to redeem, and did not have actual notice of the sale at least 60 days before expiration of the mortgagor's period of redemption. An action for damages resulting from failure to mail notice must be brought within two years of the date of the sheriff's sale.

Subd. 7. [EXCEPTION TO DAMAGE CLAIM.] Notwithstanding subdivision 6, if notice was not mailed in accordance with subdivision 4 to a person requesting notice, the requester has no cause of action against the person foreclosing the mortgage if at least 60 days before the mortgagor's period of redemption expires, a copy of the sheriff's certificate of sale is mailed in the manner provided in this section to the person requesting notice.

Subd. 8. [NO COLOR OF TITLE.] The recording of a request for notice by itself does not give the person requesting notice any interest in the mortgaged premises for any purpose. A recorded request for notice does not constitute actual or constructive notice of any interest in the real property.

Subd. 9. [EFFECTIVE DATE.] This section is effective August 1, 1992. This section applies only to mortgages foreclosed by advertisement when the first date of publication is after January 1, 1993.

Sec. 33. Minnesota Statutes 1990, section 580.15, is amended to read:

**580.15 [PERPETUATING EVIDENCE OF SALE.]**

Any party desiring to perpetuate the evidence of any sale made in pursuance of this chapter may procure:

(1) An affidavit of the publication of the notice of sale and of any notice of postponement to be made by the printer of the newspaper in which the same was inserted or by some person in the printer's employ knowing the facts;

(2) An affidavit or return of service of such notice upon the occupant of the mortgaged premises to be made by the officer or person making such service or, in case the premises were vacant or unoccupied at the time the service must be made, an affidavit or return showing that fact, to be made by the officer or person attempting to make such service;

(3) An affidavit by the person foreclosing the mortgage, or that person's attorney, or someone knowing the facts, setting forth the facts relating to the military service status of the owner of the mortgaged premises at the time of sale.

(4) An affidavit by the person foreclosing the mortgage, or that person's attorney, or someone having knowledge of the facts, setting forth the fact of service of notice of sale upon the secretary of the treasury of the United States or the secretary's delegate in accordance with the provisions of Section 7425 of the Internal Revenue Code of 1954 as amended by Section 109 of the Federal Tax Lien Act of 1966, and also setting forth the fact of service of notice of sale upon the commissioner of revenue of the state of Minnesota in accordance with the provisions of section 270.69, subdivision 7. Any such affidavit recorded prior to May 16, 1967 shall be effective as prima facie evidence of the facts therein contained as though recorded subsequent to May 16, 1967.

(5) An affidavit by the person foreclosing the mortgage, or that person's attorney, or someone having knowledge of the facts, setting forth the names of the persons to whom a notice of sale was mailed as provided by section 32.

Such affidavits and returns shall be recorded by the county recorder and they and the records thereof, and certified copies of such records, shall be prima facie evidence of the facts therein contained.

The affidavit provided for in clause (3) hereof may be made and filed for record for the purpose of complying with the provisions of

the Soldiers' and Sailors' Civil Relief Act of 1940, passed by the Congress of the United States and approved on October 17, 1940, and may be made and filed for record at any time subsequent to the date of the mortgage foreclosure sale.

Sec. 34. Minnesota Statutes 1990, section 582.01, is amended by adding a subdivision to read:

Subd. 1a. Notwithstanding subdivision 1 to the contrary, the minimum fee for foreclosure by advertisement of mortgages executed after July 31, 1992, is \$500.

Sec. 35. Minnesota Statutes 1990, section 582.27, is amended to read:

582.27 [EFFECTIVE DATES.]

Subdivision 1. The following schedule specifies the dates to be applied to the provisions of section 582.25:

(A) As to the general provision of section 582.25, ~~May 1, 1988~~ April 1, 1991;

(B) As to clause (1), ~~May 24, 1989~~ the day following final enactment of this act;

(C) As to clause (2), January 1, ~~1978~~ 1982;

(D) As to clause (5), ~~May 24, 1989~~ the day following final enactment of this act;

(E) As to clause (8), ~~May 24, 1989~~ the day following final enactment of this act;

(F) As to clause (10) (a), ~~May 24, 1989~~ the day following final enactment of this act.

Subd. 2. The date of the report of sale to which section 582.26 applies is ~~May 24, 1989~~ the day following final enactment of this act.

Subd. 3. The provisions of sections 582.25 to 582.27 shall not affect any action or proceeding pending on August 1, 1989, or which shall be commenced before February 1, 1990, in any of the courts of the state, involving the validity of such foreclosure. This act shall not affect any proceeding pending on August 1, 1992, or which shall be commenced before February 1, 1993, in any of the courts of the state, involving the validity of such foreclosure.

Sec. 36. [EFFECTIVE DATE.]

Section 31 is effective August 1, 1992, and applies to notices given on or after that date, except that, until January 1, 1993, notice given in conformity with Minnesota Statutes 1990, section 559.21, subdivision 3, is valid and must be construed as complying with sections 30 and 31.

Section 35 is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to real property; providing for mortgage satisfaction or release by fewer than all mortgagees; abolishing issuance of duplicate certificates of title and duplicate CPTs for use by lessees and mortgagees of registered land; regulating various notice, hearing, and other procedures and requirements for foreclosures and other involuntary transfers of real property; providing for new certificates of title or CPT to be issued for registered land adjoining vacated street or alley; providing that purchase money mortgages are superior to rights or interest of nonmortgaging spouse; providing that marital property interest of nontitled spouse is not subject to levy, judgments, or tax liens; clarifying provisions relating to notice of termination of contract for deed; changing certain dates relating to validation for mortgage foreclosures; amending Minnesota Statutes 1990, sections 507.03; 508.44, subdivision 2; 508.45; 508.55; 508.56; 508.57; 508.58; 508.59; 508.67; 508.71, subdivision 6; 508.73; 508.835; 508A.11, subdivision 3; 508A.44, subdivision 2; 508A.45; 508A.55; 508A.56; 508A.57; 508A.58; 508A.59; 508A.71, subdivision 6; 508A.73; 508A.835; 508A.85, subdivision 3; 514.08, subdivision 2; 518.54, subdivision 5; 559.21, subdivisions 2a and 3; 580.15; 582.01, by adding a subdivision; and 582.27; Minnesota Statutes 1991 Supplement, sections 508.82; and 508A.82; proposing coding for new law in Minnesota Statutes, chapters 507; and 580."

With the recommendation that when so amended the bill pass.

The report was adopted.

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 1940, A bill for an act relating to human services; extending the exemption from the Minnesota supplemental aid rate cap to allow payments at the case mix rate for certain medical assistance certified boarding care facilities and nursing homes declared institutions for mental disease; amending Minnesota Statutes 1991 Supplement, section 256I.05, subdivision 2.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Skoglund from the Committee on Financial Institutions and Insurance to which was referred:

H. F. No. 1980, A bill for an act relating to insurance; regulating the structure and functions of the Minnesota automobile insurance plan; amending Minnesota Statutes 1990, sections 65B.01; 65B.02, subdivisions 1, 4, and 7; 65B.03, subdivision 1; 65B.04, subdivisions 3 and 4; 65B.05; 65B.06; 65B.07, subdivision 4; 65B.08, subdivisions 1 and 2; 65B.09; 65B.10; and 65B.12, subdivision 1; repealing Minnesota Statutes 1990, sections 65B.04, subdivisions 1 and 2; and 65B.07, subdivision 2.

Reported the same back with the following amendments:

Page 1, after line 11, insert:

“Section 1. Minnesota Statutes 1990, section 61A.011, is amended by adding a subdivision to read:

Subd. 7. [ACCIDENTAL DEATH BENEFITS.] Notwithstanding any other law to the contrary, payments of accidental death benefits, whether payable in connection with a separate policy issued solely to provide that type of coverage or otherwise, are subject to this section. If the applicable rate of interest cannot be determined as provided in this section, the rate of interest for purposes of subdivision 1 is the rate provided in section 549.09, subdivision 1, paragraph (c).”

Renumber the sections in sequence

Correct internal references

Amend the title as follows:

Page 1, line 2, after the semicolon insert “regulating accidental death benefits;”

Page 1, line 4, after “sections” insert “61A.011, by adding a subdivision;”

With the recommendation that when so amended the bill pass.

The report was adopted.



McEachern from the Committee on Education to which was referred:

H. F. No. 2013, A bill for an act relating to education; authorizing the state board of technical colleges to contract to provide services; proposing coding for new law in Minnesota Statutes, chapter 136C.

Reported the same back with the following amendments:

Page 1, line 8, delete "The state board of technical colleges" and insert "A technical college"

Amend the title as follows:

Page 1, line 2, delete "the state board of"

Page 1, line 3, delete "technical colleges" and insert "a technical college"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2025, A bill for an act relating to retirement; the Minnesota state retirement system; public employees retirement association; and teachers retirement association; increasing the interest rate on the repayment of refunds and similar transactions; amending Minnesota Statutes 1990, sections 3A.03, subdivision 2; 352.01, subdivision 11; 352.04, subdivision 8; 352.23; 352.27; 352.271; 352B.11, subdivision 4; 352C.051, subdivision 3; 352C.09, subdivision 2; 352D.05, subdivision 4; 352D.11, subdivision 2; 352D.12; 353.28, subdivision 5; 353.35; 353.36, subdivision 2; 354.41, subdivision 9; 354.50, subdivision 2; 354.51, subdivisions 4 and 5; 354.52, subdivision 4; 354.53, subdivision 1; and 490.124, subdivision 12; Minnesota Statutes 1991 Supplement, sections 353.01, subdivision 16; 353.27, subdivisions 12, 12a, and 12b; and 354.094, subdivision 1.

Reported the same back with the following amendments:

Page 1, line 28, strike the second "the" and insert "an annual"

Page 2, line 6, strike “the” and insert “an annual”

Page 4, line 22, strike “the” and insert “an annual”

Page 6, lines 9 and 27, before “8.5” insert “an annual rate of”

Page 7, lines 16 and 31, strike “the” and insert “an annual”

Page 8, lines 5, 23, and 36, before “8.5” insert “an annual rate of”

Page 9, line 6, strike “the” and insert “an annual”

Page 9, line 24, strike “a” and insert “an annual”

Page 9, line 35, before “8.5” insert “an annual rate of”

Page 10, line 6, before “8.5” insert “an annual rate of”

Page 10, line 21, strike “the” and insert “an annual”

Page 10, line 29, before “8.5” insert “an annual rate of”

Page 11, line 33, strike “the” and insert “an annual”

Page 12, line 19, before “8.5” insert “an annual rate of”

Page 13, lines 21 and 32, strike “the” and insert “an annual”

Page 14, lines 1 and 24, strike “the” and insert “an annual”

Page 15, line 2, delete “the” and insert “an annual”

Page 15, line 9, strike “the” and insert “an annual”

Page 15, line 16, strike “a” and insert “an annual”

Page 15, lines 29 and 32, before “8.5” insert “an annual rate of”

Page 16, line 25, strike “the” and insert “an annual”

Page 17, line 28, before “8.5” insert “interest at an annual rate of” and strike “interest”

Page 18, line 13, strike the second “the” and insert “an annual”

Page 18, line 20, before “8.5” insert “interest at an annual rate of” and strike “interest”

Page 19, line 20, strike "the" and insert "an annual" and strike "per" and delete "year" and insert "compounded annually"

Page 20, line 11, before "8.5" insert "interest at an annual rate of" and strike "interest"

Page 20, line 21, strike "the" and insert "an annual"

Page 21, line 15, strike "the" and insert "an annual"

Page 22, line 12, strike "the" and insert "an annual"

Page 22, after line 18 insert:

"ARTICLE 4  
REFUND TO MEMBER

Section 1. [ELIGIBILITY FOR REFUND.]

Subdivision 1. Notwithstanding the requirements of Minnesota Statutes, section 353.34, subdivision 7, or other law to the contrary, a member of the public employees retirement association who was born on December 23, 1950, who is a Hennepin county employee on a sick leave of absence first reported to the public employees retirement association on June 19, 1991, may immediately elect to receive a refund of employee contributions as provided in section 353.34, subdivision 2.

Subd. 2. Allowable service under Minnesota Statutes section 353.01, subdivision 16, clause (d) for the individual described in subdivision 1 ends one year from the beginning of the sick leave or on the date of the refund, whichever is earlier.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

Amend the title as follows:

Page 1, line 6, after the semicolon insert "authorizing a refund of employee contributions to the public employees retirement association by a certain sick Hennepin county employee;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2028, A bill for an act relating to retirement; making changes in laws governing the Minneapolis employees retirement fund; amending Minnesota Statutes 1990, sections 422A.14, subdivision 1; and 422A.23, by adding a subdivision; Minnesota Statutes 1991 Supplement, section 422A.17; repealing Minnesota Statutes 1990, section 422A.14, subdivision 2.

Reported the same back with the following amendments:

Page 1, after line 9, insert:

“Section 1. Minnesota Statutes 1991 Supplement, section 422A.101, subdivision 1, is amended to read:

Subdivision 1. [FINANCIAL REQUIREMENTS OF FUND.] Prior to August 31 annually, the retirement board, in consultation with the commission-retained actuary, shall prepare an itemized statement of the financial requirements of the fund for the succeeding fiscal year. A copy of the statement shall be submitted to the city council, the board of estimate and taxation of the city, the managing board or chief administrative officer of each city owned public utility, improvement project or municipal activity supported in whole or in part by revenues other than real estate taxes, public corporation, or unit of metropolitan government employing members of the fund, the board of special school district No. 1, and the state commissioner of finance prior to September 15 annually. The statement shall be itemized and shall include the following:

(1) an estimate of the administrative expenses of the fund for the following year, which shall be determined by multiplying, by the factor of 1.035, the figure for administrative expenses as reported in the most recent actuarial valuation prepared by the commission-retained actuary, including ~~any amounts~~ the amount necessary to amortize through June 30, 2020, the annual costs that are determined by the retirement board to be related to investment activities of the deposit accumulation fund other than actual investment transaction amounts, ~~by the factor of 1.035;~~

(2) an estimate of the normal cost of the fund expressed as a dollar amount, which shall be determined by applying the normal cost of the fund as reported in the most recent actuarial valuation prepared by the commission-retained actuary and expressed as a percentage of covered payroll to the estimated total covered payroll of all employees covered by the fund for the following year;

(3) an estimate of the contribution required to amortize on a level annual dollar basis the unfunded actuarial accrued liability of the

fund by June 30, 2020, using an interest rate of six percent compounded annually as reported in the most recent actuarial valuation, prepared by the commission-retained actuary expressed as a dollar amount. In determining the amount of the unfunded actuarial accrued liability of the fund, all assets other than the assets of the retirement benefit fund shall be valued as current assets as defined under section 356.215, subdivision 1, clause (6), and the assets of the retirement benefit fund shall be valued equal to the actuarially determined required reserves for benefits payable from that fund;

(4) the amount of any deficiency in the actual amount of any employer contribution provided for in this section when compared to the required contribution amount certified for the previous year, plus interest on the amount at the rate of six percent per annum.

Sec. 2. Minnesota Statutes 1990, section 422A.12, subdivision 2, is amended to read:

Subd. 2. At the close of each fiscal year there shall be credited within the deposit accumulation fund to accounts representing contributions by the municipality and to accounts representing the accumulated amount of each contributing employee in proportion to the average quarterly balance in each such account during said fiscal year; ~~and computed on the balance at the end of each quarter,~~ the amount of income from investments earned on the accumulated funds in possession of the board, after having deducted from the total of such income (1) the amounts otherwise required as interest for various allowances or purposes specified in sections 422A.01 to 422A.25 and (2) an amount to be set aside to liquidate actual or to amortize prospective losses on investments in the accumulation account. The net balance of the investment earnings to be so distributed shall be distributed at the greatest multiple of one-tenth of one percent up to and including a maximum of the interest assumption rate provided for in section 422A.06, subdivision 5 of all such accounts. ~~Any excess then remaining from such investment earnings shall be credited to a reserve fund and be added to and distributed with the investment earnings of the next succeeding year. Any undistributed excess earnings or losses determined to be earnings or losses attributable to the employers' contributions shall be distributed or charged to the employers' reserve accounts in proportion to the employers' average quarterly balances. Any undistributed excess earnings or losses determined to be earnings or losses attributable to the employees' contributions shall be distributed or charged to the employers' reserve accounts in proportion to the number of covered employees employed by each employer. If income from investments is insufficient to enable the crediting of the maximum interest amount to the employee and employer accounts, the maximum interest will first be credited to the employee accounts. If income is insufficient to cover the amounts credited to the employee accounts, the insufficiency attributable to each employer~~

group of employees' accounts will be made up by a charge against the reserve account of that employer. The amount that shall be set aside annually to liquidate past losses on investments or to create a reserve from which to liquidate future losses shall be such amount as the board may deem necessary for such purpose but not in excess of one mill on the dollar of the gross amount received as income on the cash and investments in the fund."

Page 3, after line 18, insert:

"Sec. 7. [EFFECTIVE DATE.]

Sections 1 to 6 are effective the day following final enactment. Section 1 applies retroactively to the fiscal year ending June 30, 1991. Section 3 does not require payments for any period before the effective date of the section."

Renumber the sections in sequence

Correct internal references

Amend the title as follows:

Page 1, line 6, delete "section" and insert "sections 422A.101, subdivision 1; 422A.12, subdivision 2; and"

With the recommendation that when so amended the bill pass.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2051, A bill for an act relating to state government; appointments of department heads and members of administrative boards and agencies; clarifying procedures and requirements; amending Minnesota Statutes 1990, sections 15.0575, subdivision 4; 15.06, subdivision 5; and 15.066, subdivision 2.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 2053, A bill for an act relating to drivers' licenses; increasing fees; amending Minnesota Statutes 1990, section 171.06, subdivisions 2 and 4.

Reported the same back with the following amendments:

Page 1, line 11, delete "C-\$17" and insert "C-\$16" and delete "CC-\$21" and insert "CC-\$20" and delete "B-\$28" and insert "B-\$27" and delete "A-\$36" and insert "A-\$35"

Page 1, line 13, delete "C-\$17" and insert "C-\$16" and delete "CC-\$21" and insert "CC-\$20" and delete "B-\$28" and insert "B-\$27" and delete "A-\$16" and insert "A-\$15"

Page 1, line 15, delete "\$ 8" and insert "\$ 7"

Page 1, line 17, delete "\$ 6.50" and insert "\$ 5.50"

Page 1, line 21, delete "\$11" and insert "\$10"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Segal from the Committee on Economic Development to which was referred:

H. F. No. 2071, A bill for an act relating to tax increment financing; clarifying, recodifying, and providing tax increment financing procedures and requirements; proposing coding for new law in Minnesota Statutes, chapter 469; repealing Minnesota Statutes 1990, section 273.1399, as amended.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

## "ARTICLE 1

### TAX INCREMENT FINANCING LAW

Section 1. [469.179] [DEFINITIONS.]

Subdivision 1. [GENERALLY.] In sections 1 [469.179] to 10 [469.1799], the terms defined in this section have the meanings set forth in this section, unless the context requires a different meaning.

Subd. 2. [ACTION PROPOSAL.] "Action proposal" means a written plan prepared by an authority describing the proposed removal and remedial actions, as defined in section 115B.02, subdivisions 16 and 17, to be undertaken in a hazardous substance district.

Subd. 3. [ADMINISTRATIVE EXPENSES.] "Administrative expenses" means all expenditures of an authority, including bond counsel fees and the fees of financial, planning, and economic development consultants, but excluding expenditures related to:

- (1) the acquisition of any interest in real or personal property;
- (2) the physical development of a district or project, including the fees of architects and engineers, and amounts paid to contractors or others providing materials and services;
- (3) relocation benefits;
- (4) principal, premium, purchase price, and interest payments on bonds;
- (5) credit enhancement fees or establishing a reserve for bonds or obligations issued under sections 469.152 to 469.165, and any predecessor sections of Minnesota Statutes, or chapter 462C; and
- (6) the discount on bonds.

Subd. 4. [AUTHORITY.] "Authority" means any political subdivision of the state authorized to exercise the powers of:

- (1) a housing and redevelopment authority under sections 469.001 to 469.047, and any predecessor sections of Minnesota Statutes;
- (2) a port authority under sections 469.048 to 469.068, and any predecessor sections of Minnesota Statutes;
- (3) an economic development authority under sections 469.090 to 469.108, and any predecessor sections of Minnesota Statutes;
- (4) a city under Laws 1971, chapters 548 and 677, as amended, Laws 1973, chapters 196, 761, and 764, or sections 469.124 to 469.134, and any predecessor sections of Minnesota Statutes;
- (5) a rural development financing authority under sections 469.142 to 469.150, and any predecessor sections of Minnesota Statutes;



(6) a municipality under sections 469.152 to 469.165 and any predecessor sections of Minnesota Statutes, excluding any town not located in the metropolitan area and any town with a population not greater than 5,000; or

(7) a redevelopment agency under sections 469.152 to 469.165, and any predecessor sections of Minnesota Statutes.

Subd. 5. [BONDS.] "Bonds" means:

(1) any obligations issued by a municipality or an authority under section 8 [469.1797], and any predecessor section of Minnesota Statutes, including credit enhanced bonds; or

(2) any obligations issued by a municipality or an authority under any other law, except sections 469.152 to 469.165, and any predecessor sections of Minnesota Statutes, or chapter 462C, if tax increment is pledged to the payment of the principal of or interest on the obligations or if the issuer of the obligations reasonably expects to use tax increment to pay the principal of or interest on such obligations.

Subd. 6. [CAPTURED TAX CAPACITY.] "Captured tax capacity" means the amount by which the current tax capacity of a district exceeds the original tax capacity of the district.

Subd. 7. [CERTIFICATION.] "Certification" means the first determination by the county auditor of the county in which a district is located of the original tax capacity of the district or the original assessed value of the district.

Subd. 8. [CLASS RATE.] "Class rate" means any of the class rates set forth under section 273.13.

Subd. 9. [COUNTY AUDITOR.] "County auditor" means the person exercising the powers of the county auditor of a county.

Subd. 10. [CREDIT ENHANCED BONDS.] "Credit enhanced bonds" means any bonds, excluding general obligations as defined in section 475.51, subdivision 10, to which an authority or municipality has pledged tax increment from two or more districts.

Subd. 11. [CURRENT TAX CAPACITY.] "Current tax capacity" means the net tax capacity of the taxable property in a district, as most recently certified by the commissioner of revenue.

Subd. 12. [DATE OF CERTIFICATION.] "Date of certification" means the date the county auditor of the county in which a district is located receives from an authority a written request for certification of the district.

Subd. 13. [DISTRICT.] "District" means an economic development district, a hazardous substance district, a housing district, a manufacturing district, a pre-1979 district, a redevelopment district, a renovation district, a soils condition district, or an underground space district.

Subd. 14. [ECONOMIC DEVELOPMENT DISTRICT.] "Economic development district" means a contiguous or noncontiguous area within a project, described in a plan, that is not a hazardous substance district, housing district, pre-1979 district, redevelopment district, renovation district, soils condition district, or underground space district, meets the requirements of section 3 [469.1792], subdivision 1, and is established to provide for economic development of a project.

Subd. 15. [HAZARDOUS SUBSTANCE DISTRICT.] "Hazardous substance district" means a contiguous or noncontiguous area within a project, described in a plan, that meets the requirements of section 3 [469.1792], subdivision 2, and is established to provide for removal or remedial actions, as defined in section 115B.02, subdivisions 16 and 17, with respect to hazardous substances.

Subd. 16. [HOUSING DISTRICT.] "Housing district" means a contiguous or noncontiguous area within a project, described in a plan, that meets the requirements of section 3 [469.1792], subdivision 3, and is established to provide housing for occupancy primarily by persons or families of low and moderate income.

Subd. 17. [INTERNAL REVENUE CODE.] "Internal Revenue Code" means the Internal Revenue Code of 1986, as amended through December 31, 1991.

Subd. 18. [LOCAL TAX RATE.] "Local tax rate" means, with respect to a parcel in a district, the sum of the local tax rates for the parcel imposed by the taxing jurisdictions in which the parcel is located.

Subd. 19. [MANUFACTURING DISTRICT.] "Manufacturing district" means a contiguous or noncontiguous area within a project, described in a plan, that meets the requirements of section 3 [469.1792], subdivision 4, and is established to provide for the development of manufacturing or tourism facilities in a project.

Subd. 20. [METROPOLITAN AREA.] "Metropolitan area" means the area included within the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Subd. 21. [MUNICIPALITY.] "Municipality" means any statutory or home rule charter city, and any other political subdivision of the state authorized to exercise the powers of:

(1) a county under sections 469.004 to 469.008, and any predecessor sections of Minnesota Statutes;

(2) a county under sections 469.142 to 469.151, and any predecessor sections of Minnesota Statutes; or

(3) a municipality under sections 469.152 to 469.165, and any predecessor sections of Minnesota Statutes.

Subd. 22. [NET TAX CAPACITY.] "Net tax capacity" means the product of the market value of taxable property, as determined for purposes of general property taxation, and the class rate of the taxable property.

Subd. 23. [ORIGINAL ASSESSED VALUE.] "Original assessed value" means the original assessed value of a district, as initially established by sections 469.174 to 469.179, as amended before 1988.

Subd. 24. [ORIGINAL LOCAL TAX RATE.] "Original local tax rate" means, with respect to a parcel in a district, the sum of the local tax rates for the parcel imposed by the taxing jurisdictions in which the parcel is located as of the date of certification or, if later, the date the parcel is added to the district.

Subd. 25. [ORIGINAL TAX CAPACITY.] "Original tax capacity" means the original tax capacity of a district as determined by section 5 [469.1794], subdivisions 3 and 4.

Subd. 26. [PARCEL.] "Parcel" means the taxable property in a district that, as of the date of certification of the district or, if later, the date the parcel is added to the district, is treated as a single unit for purposes of the general property tax imposed under the laws of the state.

Subd. 27. [PLAN.] "Plan" means the tax increment financing plan for a district prepared in written form by an authority under the terms of section 2 [469.1791], subdivision 3.

Subd. 28. [POPULATION.] "Population" means the population as determined by the most recent available decennial census prepared by the United States Bureau of the Census under United States Code, title 13, section 141, or the most recent available special census prepared by the United States Bureau of the Census under United States Code, title 13, section 196, or the most recent available population estimate prepared by the metropolitan council, or the most recent available population estimate prepared by the state demographer under section 4A.02, clause (9).

Subd. 29. [PRE-1979 DISTRICT.] "Pre-1979 district" means the contiguous or noncontiguous geographic area of a project created

before August 1, 1979, for which certification of the original assessed value was requested by the authority before August 1, 1979.

Subd. 30. [PROJECT.] "Project" means:

(1) a project, as defined in section 469.002, subdivision 12, and any predecessor provision of Minnesota Statutes;

(2) an industrial development district, as defined in section 469.058, subdivision 1, and any predecessor section of Minnesota Statutes;

(3) an economic development district, as defined in section 469.101, subdivision 1, and any predecessor sections of Minnesota Statutes;

(4) a development district, as defined in Laws 1971, chapters 548 and 677, as amended, Laws 1973, chapters 196, 761, and 764, or section 469.125, subdivision 9, and any predecessor sections of Minnesota Statutes;

(5) a project, as defined in section 469.142, and any predecessor sections of Minnesota Statutes; or

(6) a project, as defined in section 469.153, subdivision 2, paragraph (a), (b), or (c), and any predecessor sections of Minnesota Statutes.

Subd. 31. [QUALIFIED DISTRICT.] "Qualified district" means any hazardous substance district, housing district, redevelopment district, renovation district, soils condition district, or underground space district in which the percentage increase in the aggregate equalized market values of the parcels in the district during the five years before the date of certification of the district exceeds the percentage increase, during the same five-year period, in the aggregate equalized market values of the parcels in the school districts in which any parcels of such district are located.

Subd. 32. [REDEVELOPMENT DISTRICT.] "Redevelopment district" means a contiguous or noncontiguous geographic area within a project, described in a plan, that meets the requirements of section 3 [469.1792], subdivision 5, and is established to provide for the redevelopment of a project.

Subd. 33. [RENOVATION DISTRICT.] "Renovation district" means a contiguous or noncontiguous geographic area within a project, described in a plan, that meets the requirements of section 3 [469.1792], subdivision 6, and is established to provide for the renewal and renovation of a project.

Subd. 34. [SOILS CONDITION DISTRICT.] “Soils condition district” means a contiguous or noncontiguous geographic area within a project, described in a plan, that meets the requirements of section 3 [469.1792], subdivision 7, and is established to provide for the correction of soil conditions in a project.

Subd. 35. [TAXABLE PROPERTY.] “Taxable property” means all property subject to the general property tax imposed under the laws of the state.

Subd. 36. [TAX INCREMENT.] “Tax increment” means the property taxes derived from the taxable property in a district that are allocated to the authority for payment of the costs of the district, the costs of the project in which the district is located, and debt service on bonds.

Subd. 37. [UNDERGROUND SPACE DISTRICT.] “Underground space district” means a contiguous or noncontiguous geographic area within a project, described in a plan, that meets the requirements of section 3 [469.1792], subdivision 8, and is established to further the development or redevelopment of mined underground space in a project.

Sec. 2. [469.1791] [CREATION AND TERMINATION OF DISTRICTS.]

Subdivision 1. [GENERALLY.] (a) A district is created when all of the following have occurred:

(1) a tax increment financing plan for the district is approved, in accordance with the terms of subdivision 2, by the authority with jurisdiction over the parcels comprising the proposed district;

(2) the plan is approved, in accordance with the terms of subdivision 4, by the municipality with jurisdiction over the parcels comprising the proposed district; and

(3) the findings in subdivision 5 are made with respect to the district by the municipality.

(b) A district terminates on the earliest of:

(1) the date tax increment from the district may no longer be paid to the authority under section 5 [469.1794], subdivision 6;

(2) the date set forth in the plan for termination of the district;

(3) the date the county auditor of the county in which the district is located receives from the authority a certified resolution of the

governing body of the authority that elects to terminate the district;  
or

(4) the third anniversary of the date of certification of the district (August 1, 1982, with respect to pre-1979 districts) unless: (i) bonds secured by tax increment from the district have been issued before that date; or (ii) the authority has acquired property within the district; or (iii) the authority or the municipality have constructed, or caused to be constructed, public improvements in the district.

An authority may terminate part of a district under clause (2) or (3) of this paragraph.

(c) An economic development district cannot be created after the effective date of sections 1 [469.179] to 10 [469.1799] unless the district is located entirely outside the metropolitan area and the district is located in a city with a population under 10,000.

(d) A renovation district cannot be created after the effective date of sections 1 [469.179] to 10 [469.1799].

Subd. 2. [AUTHORITY APPROVAL.] The authority must prepare the plan for a district. At least 30 days before approval of the plan by the authority or the municipality, the authority must notify in writing the county and all school districts in which the district is proposed to be located that the authority is considering the approval of the plan and creation of the district. The notice must include a statement that the authority will meet with any representative of any notified county or school district, before the date on which the governing body of the authority is scheduled to consider approval of the plan, to answer questions with respect to the district. The notice shall be accompanied by the most current draft of the plan. The plan must be approved by a resolution adopted by the affirmative votes of a majority of the members of the governing body of the authority.

Subd. 3. [PLAN.] The plan must include at least the following:

(1) the name and address of the authority, the name or title of the officer or employee of the authority designated as the representative of the authority with respect to the district, and the name and address of the municipality in which the district is located;

(2) the property identification numbers of the parcels in the district or the legal description of the district and one or more maps of the district and the project that are adequate to show the location of the district and project with respect to each other;

(3) a statement of the type of project in which the district is located, the duration of the district, and whether the district is an economic development district, a hazardous substance district, a

housing district, a manufacturing district, a pre-1979 district, a redevelopment district, a renovation district, a soils condition district, or an underground space district;

(4) the street address (or similar description) and property identification number or legal description of any parcel in the district that is proposed to be acquired by the authority;

(5) a statement of the estimated expenditures of tax increment derived from the district and funds from other sources to be made by the authority and any municipality with respect to the district and the project;

(6) a statement of the financial impact of the district upon all taxing jurisdictions in which the district is located;

(7) a statement of whether the authority has elected to establish the earliest year in which tax increment shall be received by the authority from a district and, if the election is made, a statement of the year;

(8) a statement of whether the authority has elected the method of determining tax increment under section 5 [469.1794], subdivision 2, paragraph (b);

(9) the termination date of the district;

(10) a description of all studies and analyses employed by the authority to provide the information in the plan required by clauses (1) to (9); and

(11) the original signature of the chief executive officer of the authority, or the chief financial officer of the authority if the chief executive officer has delegated to such financial officer the power to execute plans.

Subd. 4. [MUNICIPALITY APPROVAL.] Before approving the plan for a district, the municipality must conduct a public hearing on the question of the approval of the plan. A notice of the public hearing must be published in a newspaper of general circulation in the municipality at least once, at least ten days but no more than 30 days before the date of the hearing. The notice must include a map of the district. The plan must be approved by a resolution adopted by the affirmative votes of a majority of the members of the governing body of the municipality. Within 30 days after the date the resolution approving the plan is adopted by the municipality, an executed copy of the plan must be delivered to the commissioner of revenue.

Subd. 5. [MUNICIPALITY FINDINGS.] (a) Before, on, or after the date of approval of the plan for a district, and as a condition to the

creation of the district, the governing body of each municipality in which the district is located must make the following findings with respect to the district and the project in which the district is located, by a resolution adopted by the affirmative votes of a majority of the members of the governing body of the municipality:

(1) sufficient facts exist to support qualification of the district as an economic development district, a hazardous substance district, a housing district, a manufacturing district, a redevelopment district, a renovation district, a soils condition district, or an underground space district;

(2) the development or redevelopment in the project expected to be undertaken in conjunction with the creation of the district would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future and, therefore, the creation of the district and the use of tax increment financing is necessary, or, with respect to a hazardous substance district, the removal or remedial actions expected to be undertaken in conjunction with the district will prevent the economic deterioration of the project;

(3) the plan conforms to the general plan for the development or redevelopment of the municipality as a whole; and

(4) the plan will afford maximum opportunity, consistent with the sound needs of the municipality as a whole, for the development or redevelopment of the project by private enterprise.

(b) The approval of the resolution referred to in paragraph (a) by the affirmative votes of a majority of the members of the governing body of the municipality is conclusive of the findings in it and of the public need for the district and the use of tax increment financing.

Subd. 6. [PLAN AMENDMENTS.] (a) If any information required by subdivision 3 to be included in a plan was not available on the date of creation of the plan, or if any information required by subdivision 3 to be included in a plan has changed since it was included in a plan, the authority must amend the plan to include the omitted information or change the information in the plan. If a plan amendment involves an enlargement of the area of the district or of the area of the project in which the district is located, a material change in the estimated expenditures of tax increment derived from the district, or an election under section 5 [469.1794], subdivision 2, paragraph (b), the plan amendment must be approved by the municipality in which the district is located in the same manner required for the initial approval of the plan under subdivision 4, except that publication of a map of the district in the notice required by subdivision 4 is necessary only in the event of the enlargement of the district.

(b) A district cannot be changed from one type of district to



another type of district after the plan for the district has been approved by the municipality in which the district is located. The area of a district may be reduced but cannot be enlarged after the fifth anniversary of the date of certification of the district.

(c) If the parcels in a hazardous substance district were in another district immediately before being included in the hazardous substance district and on the date of termination of the hazardous substance district the other district has not terminated, then at the election of the authority, made in writing and delivered to the county auditor, the parcels may be added back to the other district without any further action of the authority or the municipality in which the other district is located.

Subd. 7. [AUTOMATIC DELETION OF PARCELS FROM DISTRICT.] If neither the owner of a parcel in a district nor the authority begins acquisition, demolition, construction, rehabilitation, renovation, other site preparation (excluding sewer, water, or other utility service), or qualified improvement of a street adjacent to the parcel on or before the fourth anniversary of the later of the date of certification of the district or the date the plan was amended to add the parcel to the district, then the parcel is deleted from the district on the day following such fourth anniversary without any further action of the authority or the municipality. The authority must give written notice to the county auditor of the parcels that are deleted from the district under this subdivision. Such notice must be delivered to the county auditor within six months of such fourth anniversary. If the owner of the parcel or the authority subsequently begins acquisition, demolition, rehabilitation, renovation, other site preparation (excluding sewer, water, or other utility service), or qualified improvement of a street adjacent to the parcel, the authority may elect to add the parcel back to the district by delivery of written notice of such election to the county auditor. For purposes of this subdivision, "qualified improvement of a street" means construction or opening of a new street, relocation of a street, or substantial reconstruction or rebuilding of a street. The county auditor must enforce the provisions of this subdivision.

Sec. 3. [469.1792] [REQUIREMENTS FOR CREATION OF DISTRICTS.]

Subdivision 1. [ECONOMIC DEVELOPMENT DISTRICTS.] A district qualifies as an economic development district only if the authority finds that the creation of the district is in the public interest because it will discourage the relocation of commercial, industrial, or manufacturing operations from the municipality, or it will increase employment in the state, or it will keep or enhance tax payments in the state. Such finding must be made in a resolution adopted on or before the date of approval of the plan for the district by the authority. Specific restrictions on the use of tax increment

derived from an economic development district are described in section 7 [469.1796], subdivision 1.

Subd. 2. [HAZARDOUS SUBSTANCE DISTRICTS.] (a) A district qualifies as a hazardous substance district only if the parcels in the district are designated in an action proposal as parcels to which removal or remedial actions, as defined in section 115B.02, subdivisions 16 and 17, are to be undertaken, or the parcels are contiguous to or adversely affected by parcels to which removal or remedial actions are to be undertaken (including parcels that are contiguous except for the interposition of a right-of-way). As conditions to creation of a hazardous substance district, the authority must:

(1) prepare an action proposal, submit the action proposal to the commissioner of the pollution control agency, and receive a written approval of the action proposal from the commissioner of the pollution control agency; and

(2) enter into an enforceable agreement with any person to complete the removal or remedial actions referred to in the action proposal or specify in the action proposal the sources of money to be used to finance the removal or remedial actions referred to in the action proposal.

(b) A district qualifies as a hazardous substance district only if the authority finds that the district is not larger than, and the duration of the district is not longer than, the minimum necessary to provide for payment of the costs of the district. Such finding must be made in a resolution adopted by the authority on or before the date of approval of the plan for the district by the authority.

(c) Specific restrictions on the use of tax increment derived from a hazardous substance district are described in section 7 [469.1796], subdivision 2.

Subd. 3. [HOUSING DISTRICTS.] A district qualifies as a housing district only if the authority finds that the district will provide financial assistance to owner-occupied residential property to be occupied by persons and families of low or moderate income or will provide financial assistance to residential rental property to be occupied by persons and families of low or moderate income. Such finding must be made in a resolution adopted by the authority on or before the date of approval of the plan for the district by the authority. For purposes of owner-occupied residential property, the property will be considered occupied by persons and families of low or moderate income if 95 percent of the dwelling units are initially purchased and occupied by persons or families whose income is equal to or less than the income limits of section 143(f) of the Internal Revenue Code. For purposes of residential rental property, the property will be considered occupied by persons and families of low or moderate income if the rental and occupancy requirements of

section 142(d) of the Internal Revenue Code are satisfied, or if 50 percent or more of the dwelling units in the residential rental property are occupied by individuals whose income is 80 percent or less of the area median income, as defined in section 142(d) of the Internal Revenue Code. Specific restrictions on the use of tax increment derived from a housing district are described in section 7 [469.1796], subdivision 3.

Subd. 4. [MANUFACTURING DISTRICTS.] (a) A district qualifies as a manufacturing district if the authority finds that the district will provide financial assistance to a manufacturing facility or a tourism facility. The finding must be made in a resolution adopted by the authority on or before the date of approval of the plan for the district by the authority.

(b) For purposes of this subdivision and section 7 [469.1796], subdivisions 1 and 5, "manufacturing facility" means property that is acquired, constructed, or rehabilitated, if at least 85 percent of the property is used:

(1) for the manufacturing or production of tangible personal property, including processing resulting in the change in condition of the tangible personal property;

(2) for the warehousing, storage, and distribution of tangible personal property (excluding retail sales);

(3) for research and development activities related to the activities listed in clauses (1) or (2); or

(4) for office and related space related to the activities listed in clauses (1), (2), or (3).

(c) For purposes of this subdivision and section 7 [469.1796], subdivisions 1 and 5, "tourism facility" means property that:

(1) is located outside the metropolitan area;

(2) is located outside a city with a population in excess of 30,000;

(3) is acquired, constructed, or rehabilitated for use as a convention and meeting facility, amusement park, recreation facility, cultural facility, marina, park, hotel, motel, or other lodging facility that in each case is intended to serve primarily individuals from outside the county; and

(4) the operating and management policies of the tourism facility are approved by the governing body of the authority.

(d) Specific restrictions on the use of tax increment derived from a manufacturing district are described in section 7 [469.1796], subdivision 5.

Subd. 5. [REDEVELOPMENT DISTRICTS.] (a) A district qualifies as a redevelopment district only if the authority finds that one of the following conditions, evenly distributed throughout the district, exists:

(1) parcels consisting of 70 percent of the area of the district are occupied by buildings, streets, utilities, or other improvements, 20 percent of the buildings are structurally substandard, and 30 percent of the other buildings require substantial renovation or clearance to remove existing conditions such as inadequate street layout, incompatible uses or land use relationships, overcrowding of buildings on the land, excessive dwelling unit density, obsolete buildings not suitable for improvement or conversion, or other identified hazards to the health, safety, and general well-being of the community; or

(2) the district consists of vacant, unused, underused, inappropriately used, or infrequently used rail yards, rail storage facilities, or excessive or vacated railroad rights-of-way. Such finding must be made in a resolution adopted by the authority on or before the date of approval of the plan for the district by the authority.

(b) For purposes of this subdivision, "structurally substandard" means defects in structural elements or a combination of deficiencies in essential utilities and facilities, light and ventilation, fire protection (including adequate egress, layout, and condition of interior partitions), or similar factors that are of sufficient total significance to justify substantial renovation or clearance. A building is not structurally substandard if it complies with the building code applicable to new buildings or could be modified to conform to the building code at a cost of less than 15 percent of the cost of constructing a new structure of the same size and type on the site. A building is structurally substandard if it is not in compliance with federal or state laws or regulations regarding access to disabled persons and the costs of construction to gain compliance exceed 15 percent of the cost of constructing a new structure of the same size and type on the site. The authority may determine that a building is structurally substandard on the basis of reasonably available evidence such as the size, type, and age of the building, the average cost of plumbing, electrical, or structural repairs, or other similar reliable evidence. If the evidence supports a reasonable conclusion that the building is structurally substandard, the authority may make this determination without an interior inspection or an independent, expert appraisal of the cost of repair and rehabilitation of the building.

(c) For purposes of this subdivision, a parcel will be considered occupied by a structurally substandard building if:

(1) the parcel was occupied by a substandard building within five years of the date of certification of the district in which the parcel is located; and

(2) before the demolition or removal, the authority finds by resolution that the parcel is occupied by a structurally substandard building and that the authority intends to include the parcel in a district.

(d) For purposes of this subdivision, a parcel is occupied by buildings, streets, utilities, or other improvements if at least 15 percent of the area of the parcel contains buildings, streets, utilities, or other improvements.

(e) A district consisting of two or more noncontiguous areas does not qualify as a redevelopment district unless each area qualifies under paragraph (a) and the entire district qualifies under paragraph (a).

(f) Specific restrictions on the use of tax increment derived from a redevelopment district are described in section 7 [469.1796], subdivision 6.

Subd. 6. [RENOVATION DISTRICTS.] (a) A district qualifies as a renovation district only if the authority finds that the following conditions, evenly distributed throughout the district, exist:

(1) parcels consisting of 70 percent of the area of the district are occupied by buildings, streets, utilities, or other improvements;

(2) 20 percent of the buildings are structurally substandard; and

(3) 30 percent of the other buildings require substantial renovation or clearance to remove existing conditions such as inadequate street layout, incompatible uses or land use relationships, overcrowding of buildings on the land, excessive dwelling unit density, obsolete buildings not suitable for improvement or conversion, or other identified hazards to the health, safety, and general well-being of the community. Such finding must be made in a resolution adopted by the authority on or before the date of approval of the plan for the district by the authority.

(b) For purposes of this subdivision, "structurally substandard" means defects in structural elements or a combination of deficiencies in essential utilities and facilities, light and ventilation, fire protection (including adequate egress, layout, and condition of interior partitions), or similar factors that are of sufficient total

significance to justify substantial renovation or clearance. A building is not structurally substandard if it is in compliance with the building code applicable to new buildings or could be modified to conform to the building code at a cost of less than 15 percent of the cost of constructing a new structure of the same size and type on the site. The authority may determine that a building is structurally substandard on the basis of reasonably available evidence, such as the size, type, and age of the building, the average cost of plumbing, electrical, or structural repairs, or other similar reliable evidence. If the evidence supports a reasonable conclusion that the building is structurally substandard, the authority may make this determination without an interior inspection or an independent, expert appraisal of the cost of repair and rehabilitation of the building.

(c) For purposes of this subdivision, a parcel is occupied by buildings, streets, utilities, or other improvements if at least 15 percent of the area of the parcel contains buildings, streets, utilities, or other improvements.

(d) A district consisting of two or more noncontiguous areas will not qualify as a renovation district unless each area qualifies under paragraph (a) and the entire district qualifies under paragraph (a).

(e) Specific restrictions on the use of tax increment derived from a renovation district are described in section 7 [469.1796], subdivision 6.

Subd. 7. [SOILS CONDITION DISTRICTS.] (a) A district qualifies as a soils condition district only if the authority finds that the following conditions exist in the district:

(1) less than 70 percent of the parcels in the district are occupied by buildings, streets, utilities, or other improvements;

(2) parcels consisting of 80 percent of the area of the district require substantial filling, grading, or other physical preparation to eliminate unusual terrain or soil deficiencies; and

(3) the estimated cost of the filling, grading, and other physical preparation (excluding costs not attributable to the soil deficiencies that are directly related to roads, as defined in section 160.01, and local improvements, as defined in sections 429.021, subdivision 1, clauses (1) to (7), (11), and (12), and 430.01), when added to the fair market value of the land in the district, exceeds the anticipated fair market value of the land in the district upon the completion of the filling, grading, and other physical preparation. Such findings must be made in a resolution adopted by the authority on or before the date of approval of the plan for the district by the authority.

(b) A public waters wetland, as defined in section 103G.005,

subdivision 18, cannot be included in a soils condition district unless the authority proposes in the plan to take actions that will prevent the draining, filling, or other alteration of the wetland.

(c) If any part of the district is located in the metropolitan area, the proposed development of the district described in the plan must be consistent with the land use plan of the municipality, adopted in accordance with sections 473.851 to 473.872, and reviewed by the metropolitan council under section 473.175. If the entire district is located outside the metropolitan area, the proposed development of the district must be consistent with the comprehensive plan of the municipality.

(d) Before approval of the plan for the district by the authority, at least 50 percent of the land in the district subject to unusual soil or terrain deficiencies must be subject to the terms of one or more agreements providing for development of such land by a person other than the authority or the municipality. The agreements must provide recourse for the authority if the development is not completed.

(e) Specific restrictions on the use of tax increment derived from a soils condition district are described in section 7 [469.1796], subdivision 7.

Subd. 8. [UNDERGROUND SPACE DISTRICTS.] A district qualifies as an underground space district only if the authority finds that the parcels in the district will be used for the development or redevelopment of mined underground space for commercial, industrial, or other public or private use. Such finding must be made in a resolution adopted by the authority on or before the date of approval of the plan for the district by the authority. Specific restrictions on the use of tax increment derived from an underground space district are described in section 7 [469.1796], subdivision 8.

#### Sec. 4. [469.1793] [REPORTING REQUIREMENTS.]

Subdivision 1. [UNIFORM REPORTING FORMS.] The state auditor shall maintain a uniform system of accounting and financial reporting for projects that include one or more districts. The uniform system of accounting and financial reporting must:

(1) provide for full disclosure of the sources and uses of the funds described in the plans for the projects;

(2) permit comparison and reconciliation with the accounts and financial reports of the authority and the municipality in which the projects are located;

(3) permit auditing of the public funds spent with respect to the projects; and

(4) be consistent with generally accepted accounting principles.

Subd. 2. [FINANCIAL REPORTS.] (a) Every authority must prepare annually a financial report for each project located in the boundaries of the authority that includes one or more districts. Each financial report must be prepared in accordance with the uniform system of accounting and financial reporting for projects maintained by the state auditor. On or before July 1 of each year, the financial report for each project must be delivered to the state auditor, the commissioner of revenue, the municipality in which the project is located, the county in which the project is located, and each school district in which the project is located.

(b) In addition to the information required by the uniform system of accounting and financial reporting for projects maintained by the state auditor, each financial report must also contain or be accompanied by the following information:

(1) the types of districts and the expected dates of termination of the districts in the project;

(2) the original tax capacity, current tax capacity, and captured tax capacity of each district in the project, and the tax increment expected to be derived from each district in the project in the current calendar year;

(3) the number of jobs proposed to be created in the next calendar year, the number of actual jobs created in the current calendar year and the average wage and average benefits of the jobs created, and the net number of jobs displaced in the current calendar year;

(4) the outstanding principal amount of bonds issued to finance costs of the project, as of the date of the financial report;

(5) the expenditures of tax increment derived from each district in the project and of the proceeds of bonds issued to finance costs of the districts and the project, in the year preceding the current calendar year (including, without limitation, the specific costs of the acquisition of real property, the acquisition or construction of site improvements, installation of utilities, and administrative expenses);

(6) the acquisition costs and the amount realized from the sales or other transfers of property in the project in the year preceding the current calendar year;

(7) with respect to districts subject to section 6 [469.1795], subdivision 2, the amount of tax increment spent on activities



outside the district in which the tax increment is generated and the amount of the proceeds of bonds referred to in clause (4) that were spent on activities outside the district in which the tax increment is generated that is expected to pay debt service on the bonds, in the year preceding the current calendar year; and

(8) any additional information required by the commissioner of revenue.

Sec. 5. [469.1794] [TAX INCREMENT.]

Subdivision 1. [CERTIFICATION OF DISTRICT.] On any date after creation of a district and before termination of the district, the authority may obtain certification of the district by delivering to the county auditor of the county in which the district is located a written request for certification of the district. The request for certification must be accompanied by a copy of the plan for the district and state whether a building permit has been issued for any of the parcels in the district within the preceding 18 months. As soon as possible after the date of certification, the county auditor must deliver to the authority a statement of the original tax capacity of the district and the amount of the original tax capacity allocated to each parcel of the district, the date of certification of the district, and the local tax rates for the parcels in the district. On or before June 1 of each succeeding year before termination of the district, the county auditor must deliver to the authority a statement of the original tax capacity of the district as most recently determined and the amount of the original tax capacity allocated to each parcel of the district, the date of certification of the district, the local tax rates for the parcels in the district, and the current tax capacity of the district as most recently determined and the amount of the current tax capacity allocated to each parcel of the district.

Subd. 2. [DETERMINATION OF TAX INCREMENT.] (a) The tax increment of a district must be determined for each year beginning with the first year in which the current tax capacity of the district exceeds the original tax capacity of the district, or, if later, the year designated in the plan as the first year in which tax increment may be received from the district. In determining the local tax rates of the taxing jurisdictions in which the district is located, the county auditor must exclude the captured tax capacity of the district from the net tax capacity of the taxing jurisdictions. The local tax rates are extended against the captured tax capacity of the district. The portion of the resulting tax revenues equal to the product of the captured tax capacity and the lesser of the original local tax rate or the local tax rate, together with any penalties or interest allocable to the taxes, are the tax increment of the district for the year in which the taxes are payable. If the original local tax rate is less than the local tax rate, then the difference between the product of the captured tax capacity and the local tax rate and the product of the captured tax capacity and the original local tax rate is treated as if

it is excess tax increment and must be distributed under the terms of section 6 [469.1795], subdivision 1, paragraph (a), clause (7), and paragraph (f).

(b) At the election of the authority, the tax increment of the district may be determined under this paragraph in lieu of the method of determination in paragraph (a). The tax increment of the district must be determined for each year beginning with the first year in which the current tax capacity of the district exceeds the original tax capacity of the district, or, if later, the year designated in the plan as the first year in which tax increment may be received from the district. In determining the local tax rates of the taxing jurisdictions in which the district is located, the county auditor must exclude from the net tax capacity of such taxing jurisdictions the amount by which the captured tax capacity of the district exceeds the product of:

(1) any fiscal disparity commercial-industrial net tax capacity increase in the district between the date of certification of the district and the current year; and

(2) the fiscal disparity ratio determined under section 473F.08, subdivision 6.

The local tax rates are extended against the amount by which the captured tax capacity of the district exceeds the product of the amounts in clauses (1) and (2). The resulting tax revenues, together with any penalties or interest allocable to such taxes, are the tax increment for the district for the year in which the taxes are payable.

Subd. 3. [ORIGINAL TAX CAPACITY.] (a) Except as provided in paragraphs (b) to (e), the original tax capacity of a district on the date of certification of the district is equal to:

(1) the sum of the net tax capacities of the parcels in the district as certified by the commissioner of revenue as of the previous assessment year, if the date of certification occurs before July 1 of a calendar year; or

(2) the sum of the net tax capacities of the parcels in the district as certified by the commissioner of revenue as of the current assessment year, if the date of certification occurs after June 30 of a calendar year.

(b) The original tax capacity of a district, determined under paragraph (a), must be increased by the net tax capacity of any property in the district that is exempt from taxation by reason of public ownership if the public ownership of the property began less than one year before the date of certification of the district.

(c) The original tax capacity of a hazardous substance district is equal to the amount by which the sum of the net tax capacities of the parcels in the hazardous substance district exceeds the costs of the removal and remedial actions of the hazardous substance district set forth in the action proposal. If the action proposal does not specify the costs of the removal and remedial actions of the district, then the authority must separately certify the costs in writing to the county auditor before the date of certification of the original tax capacity of the district.

(d) The original tax capacity of an underground space district is equal to the net tax capacity, if any, assigned to any subsurface area included in the underground space district under section 272.04.

(e) For purposes of paragraph (a), the net tax capacity of the taxable property on a parcel considered occupied by a structurally substandard building under section 3 [469.1792], subdivision 5, paragraph (c), is the greater of:

(1) the net tax capacity of the parcel as determined in accordance with paragraph (a); or

(2) the product of the market value of the taxable property on the parcel for the year in which the structurally substandard building was demolished or removed and the current class rates for such taxable property.

Subd. 4. [SUBSEQUENT ADJUSTMENTS TO ORIGINAL TAX CAPACITY.] (a) In each year after the year in which the date of certification of a district occurs, the original tax capacity of the district must be increased or decreased in accordance with the terms of paragraphs (b) to (k).

(b) If a plan is amended to include an additional parcel in the district, the original tax capacity of the district must be increased by the net tax capacity of the additional parcel, as of the date the parcel is added to the district. If a plan is amended to delete a parcel from the district, the original tax capacity of the district must be decreased by the amount of the original tax capacity of the district allocated to the deleted parcel.

(c) If a parcel in a district that was exempt from property taxation becomes subject to property taxation, the original tax capacity of the district must be increased by the net tax capacity of such parcel, as most recently certified by the commissioner of revenue. If a parcel in a district becomes exempt from property taxation, the original tax capacity of the district must be decreased by the amount of the original tax capacity allocated to such parcel.

(d) If the market value of a parcel in a district increases because

the parcel no longer qualifies for a reduced market value under section 273.111 or 273.112, or under chapter 473H, the original tax capacity of the district must be increased by the part of any increase in the net tax capacity of the parcel that is attributable to the increase in market value. If the market value of a parcel in a district increases because the parcel is no longer treated as unplatted land under section 273.11, subdivision 1, the original tax capacity of the district must be increased by the amount of any increase in the net tax capacity of the parcel that is attributable to the increase in market value.

(e) If the use of a parcel in a district changes, and the change in use results in a change in the class rate applicable to the parcel under section 273.13, the original tax capacity of the district must be increased by the amount of any increase in the net tax capacity of the parcel that is attributable to the change in class rate, and the original tax capacity of the district must be decreased by the amount of any decrease in the net tax capacity of the parcel that is attributable to the change in class rate.

(f) If a class rate established under section 273.13 is amended, and the amendment results in a change in the class rate applicable to a parcel in a district, the original tax capacity of the district must be increased by the amount of any increase in the net tax capacity of the parcel that is attributable to the amendment to the class rate, and the original tax capacity of the district must be decreased by the amount of any decrease in the net tax capacity of the parcel that is attributable to the amendment to the class rate.

(g) If a parcel in a hazardous substance district was in another district immediately before being included in the hazardous substance district and on the date of termination of the hazardous substance district the other district has not terminated, and the parcel is added to the other district as the result of an election of the authority under section 2 [469.1791], subdivision 6, paragraph (c), the original tax capacity of the other district must be increased by the original tax capacity allocated to the parcel on the date of certification of the other district (or, if the parcel was added to the other district after the date of certification of the other district, the original tax capacity allocated to the parcel on the date the parcel was added to the other district).

(h) If a parcel is deleted from a district under section 2 [469.1791], subdivision 7, the original tax capacity of the district must be reduced by the amount of the original tax capacity allocated to the parcel. If a deleted parcel is later added back to the district as the result of an election of an authority under section 2 [469.1791], subdivision 7, the original tax capacity of the district must be increased by the net tax capacity of the parcel, as most recently certified by the commissioner of revenue.

(i) If the market value of a parcel in a district is reduced by order of a court, order of the commissioner of revenue, or action or order of any county or municipality board, administrative agency, or employee with jurisdiction to take such action or make such order, and the reduction in market value relates to the parcel before the later of the date of certification of the district (or, if the parcel was added to the district after the date of certification, the date the parcel was added to the district) or the date on which improvements began on the parcel, the original tax capacity of the district must be adjusted by substituting the net tax capacity of the parcel as of the date of certification of the district (or, if the parcel was added to the district after the date of certification, the date the parcel was added to the district) with the net tax capacity the parcel would have had on the date of certification of the district (or, if the parcel was added to the district after the date of certification, the date the parcel was added to the district) if the reduced market value had been the market value of the parcel on such date.

(j) If a building permit has been issued for a parcel in a district within the 18 months before the later of the date of certification of the district or the date the parcel was added to the district, and the net tax capacity of the parcel on the later of the date of certification of the district or the date the parcel was added to the district is less than the net tax capacity of the parcel upon completion of the improvements constructed under the building permit, the original tax capacity of the district must be increased by the amount by which the net tax capacity of the parcel with the completed improvements exceeds the net tax capacity of the parcel as of the later of the date of certification of the district or the date the parcel was added to the district.

(k) If taxable improvements are made to a parcel after the later of the date of certification of the district or the date the parcel was added to the district, and the parcel becomes exempt from property taxation as a result of the authority acquiring the property through foreclosure or through the exercise of remedies under a lease or other revenue agreement, and the parcel subsequently becomes subject to property taxation, the original tax capacity of the district must be increased by the amount of the original tax capacity allocated to the parcel as of the later of the date of certification of the district or the date the parcel was added to the district.

Subd. 5. [ASSESSMENT AGREEMENTS.] An authority may enter into a written assessment agreement with any person establishing a minimum market value of a parcel, including existing improvements or improvements to be constructed on the parcel, if the parcel and improvements are owned or will be owned by the person. The minimum market value established by an assessment agreement may be fixed or may increase or decrease in later years from the initial minimum market value. An assessment agreement terminates on the earliest of the date any conditions established in

the assessment agreement for termination of the assessment agreement are satisfied, the termination date stated in the assessment agreement, the date that the district or the part of the district in which the parcel is located terminates, or the date that tax increment from the district in which the parcel is located is no longer paid to the authority under subdivision 6. An authority that enters into an assessment agreement must deliver a copy of the assessment agreement to the county assessor of the county in which the district is located, or to the assessor of the municipality in which the district is located if the assessor of the municipality has the powers of the county assessor in the municipality. The county assessor, or the assessor of the municipality, must determine whether the minimum market values in the assessment agreement are reasonable and, if so, shall execute the following certification upon the assessment agreement:

The undersigned, being legally responsible for the assessment of the property described in this agreement, certifies that the minimum market values assigned to the land and improvements are reasonable.

The assessment agreement may be filed for record in the office of the county recorder or registrar of titles of the county in which the land and improvements are located. If the assessment agreement is filed for record, the market value of the parcel and improvements for purposes of property taxation cannot be determined to be less than the applicable minimum market value established by the terms of the assessment agreement. A market value in excess of the applicable minimum market value established by the terms of the assessment agreement may be assigned to the parcel and improvements. The minimum market value assigned to the parcel and improvements for purposes of property taxation may be reduced through administrative or legal proceedings, but no assessor, auditor, board of review, board of equalization, or the commissioner of revenue, or court of this state shall grant a reduction of the market value below the applicable minimum market value established by the terms of the assessment agreement. A filed assessment agreement constitutes notice to anyone who acquires any interest in the parcel or improvements that are subject to the assessment agreement and the assessment agreement is binding on them.

Subd. 6. [DURATION OF TAX INCREMENT PAYMENTS.] (a) The tax increment derived from a district shall not be paid to the authority in which the district is located:

(1) after 25 years from the date of creation of a hazardous substance district;

(2) after 20 years from the date of receipt by the authority of the first tax increment from a housing district (unless paragraph (b) applies), a redevelopment district, or an underground space district;

(3) after 12 years from the date of receipt by the authority of the first tax increment from a manufacturing district;

(4) after 15 years from the date of receipt by the authority of the first tax increment from a renovation district;

(5) after ten years from the date of receipt by the authority of the first tax increment from a soils condition district;

(6) after eight years from the date of receipt by the authority of the first tax increment from an economic development district; and

(7) with respect to a pre-1979 district, after the earlier of (A) August 1, 2009, or (B) the later of (i) April 1, 2001, or (ii) the latest maturity of an issue of bonds outstanding on April 1, 1990, and secured by tax increment derived from the pre-1979 district (or the latest maturity of bonds issued to refund an issue of bonds outstanding on April 1, 1990, and secured by tax increment derived from the pre-1979 district, if the average maturity of the refunding bonds does not exceed the average maturity of the bonds refunded).

(b) If a final determination is made by the commissioner of revenue or a court that the owner occupied residential property or the residential rental property receiving financial assistance from a housing district is not occupied by persons and families of low or moderate income, as defined in section 3 [469.1792], subdivision 3, then the tax increment derived from the housing district shall not be paid to the authority in which the district is located after the later of:

(1) the date such determination by the commissioner of revenue or a court becomes final; or

(2) the date eight years after the receipt by the authority of the first tax increment from the housing district.

Sec. 6. [469.1795] [AUTHORIZED USES AND GENERAL LIMITATIONS ON THE USES OF TAX INCREMENT.]

Subdivision 1. [AUTHORIZED USES.] (a) All tax increment and all proceeds of bonds must be used for one or more of the following purposes:

(1) to pay the principal, premium, or purchase price of, or interest on, bonds;

(2) to pay the principal, premium, or purchase price of, or interest on, credit enhanced bonds, as described in paragraph (b);

(3) to pay public redevelopment costs of a project under sections 469.001 to 469.047, to finance the costs of redevelopment of a project under sections 469.048 to 469.068, to finance the cost of redevelopment of a project under sections 469.090 to 469.108, to finance capital and administration costs of a project under sections 469.124 to 469.134 or under any of the special laws referred to in section 1 [469.179], subdivision 4, clause (4), for the purposes stated in section 469.142, to finance premiums for insurance, pay fees for other credit enhancements, or establish or maintain a reserve securing obligations issued under sections 469.152 to 469.165 (or any predecessor sections of Minnesota Statutes) or under chapter 462C, or to pay neighborhood revitalization program costs under sections 469.1781 and 469.1831;

(4) to pay attorney general expenses or pollution control agency expenses, as described in paragraph (c);

(5) to pay to a school district the tax increment attributable to a referendum levy, as described in paragraph (d);

(6) to pay county road costs and costs of administration, as described in paragraph (e);

(7) to distribute excess tax increment to certain taxing jurisdictions, as described in paragraph (f);

(8) to transfer tax increment from parcels in qualified districts to the school districts in which such parcels are located, as described in paragraph (g); or

(9) for any purpose directed or permitted by any other special or general law that specifically refers to tax increment or the proceeds of bonds and requires or authorizes the use of such tax increment or proceeds of bonds for specified purposes.

(b) An authority may use tax increment derived from any district in the jurisdictional boundaries of the authority to pay the principal, premium, or purchase price of, or interest on, credit enhanced bonds if:

(1) the authority finds that more than one-half of the tax increment to be used to pay the principal, premium, or purchase price of, or interest on, the credit enhanced bonds will be derived from the district in which at least 75 percent of the proceeds of the credit enhanced bonds will be considered applied to activities in the district, as defined in subdivision 2; and

(2) the authority finds that it is necessary to pledge to the payment of the principal, premium, or purchase price of, and interest on, the credit enhanced bonds all or part of the tax increment



derived from one or more additional districts to make the marketing of the credit enhanced bonds feasible.

(c) If, with respect to a hazardous substance district, the attorney general brings a civil action on behalf of an authority to recover the expenses, including administrative costs and litigation expenses, under section 115B.04 or other law, or the attorney general assists an authority in bringing such a civil action, by providing legal advice, technical advice, or other assistance, or by intervening in the action, the authority must pay to the attorney general the expenses incurred by the attorney general with respect to the foregoing activities of the attorney general. If, with respect to a hazardous substance district, the pollution control agency incurs expenses to review and approve an action proposal or to render services to the attorney general with respect to the foregoing activities of the attorney general, the authority must pay to the pollution control agency the amount of such expenses incurred by the pollution control agency. Such expenses of the attorney general and the pollution control agency must be paid from the tax increment derived from the hazardous substance district that remains after payment of current debt service on bonds secured by such tax increment.

(d) If the voters of a school district approve a referendum authorizing an increase in local tax rates, an authority must pay to the school district, from all districts of the authority within the boundaries of the school district, the tax increment attributable to such increase in local tax rates if:

(1) on the date the referendum is approved, there are no bonds outstanding that were issued before May 1, 1988; or

(2) clause (1) does not apply and such payments are approved by both a majority vote of the governing body of the municipality in which such districts are located and a majority vote of the governing body of the school district in accordance with section 124A.03, subdivision 2, paragraph (g). The school districts must use the tax increment in the same manner as the money derived from the referendum levy.

(e) An authority must pay the costs of road improvements made by a county with respect to a project of the authority located in the county, from the tax increment derived from the districts in the project or from the proceeds of bonds secured by such tax increment, if the road improvements are not scheduled for construction within five years under the county capital improvement plan or other formally adopted county plan and the county determines that:

(1) the development or redevelopment of the project will require the construction of road improvements by the county; and

(2) the road improvements would not have been required if the project had not been created by the authority.

An authority must pay the expenses of administration incurred by a county with respect to a project of the authority located in the county, from the tax increment derived from the districts in the project or from the proceeds of bonds secured by such tax increment. If a county intends to have its costs of road improvements or expenses of administration with respect to a project paid from tax increment derived from a district of the project created after the effective date of sections 1 [469.179] to 10 [469.1799], it must deliver written notification of such intent to the authority within 30 days of receipt by the county of the notice referred to in section 2 [469.1791], subdivision 2. The notice from the county must include an estimate of the amount of such costs and expenses. If the authority does not agree with the need for such costs or expenses, or the amount of such costs or expenses, the authority may demand in a written notice to the county that the dispute be submitted to binding arbitration in accordance with sections 572.08 to 572.30 and the rules of the American Arbitration Association. Within 30 days after the demand for binding arbitration, the parties must each select an arbitrator or agree upon a single arbitrator. If the parties each select an arbitrator, the two arbitrators must select a third arbitrator within 45 days after the demand for binding arbitration. Each party must pay the fees and expenses of the arbitrator it selected and the parties must share equally the expenses of the third arbitrator or an arbitrator mutually agreed upon by the parties.

(f) If an authority receives tax increment from a district in excess of the amount the authority intends to use, the authority must deliver the tax increment to the county with a written statement to the effect that such tax increment constitutes excess tax increment and is to be distributed to the county, municipality, and school district in which the district from which the tax increment was derived is located. The amount of excess tax increment to be distributed to the county, municipality, and school district is equal to the product of:

(1) the excess tax increment; and

(2) a fraction for each such governmental body the numerator of which is the current local tax rate of the governmental body and the denominator of which is the sum of the local tax rates for all three governmental bodies. The county auditor must report to the commissioner of education the amount of any excess tax increment distributed to a school district within 30 days of the distribution. The amounts distributed to a city or county must be deducted from the levy limits of the governmental unit for the following year. In calculating the levy limit base for later years, the amount deducted must be treated as a local government aid payment.

(g) If a district is a qualified district, the county auditor must withhold from each parcel in the qualified district a portion of the tax increment derived from each such parcel in an amount equal to the lesser of:

(1) the tax increment derived from the parcel; or

(2) an amount equal to the product of the current tax capacity of the parcel and the current general education tax rate established under section 124A.23. The tax increment withheld from each parcel must be transferred by the county auditor to the school district in which the parcel is located.

Subd. 2. [GENERAL EXPENDITURE LIMITATION.] (a) At least 75 percent of the tax increment derived from a district (excluding hazardous substance districts, manufacturing districts that provide financial assistance to a tourism facility, and redevelopment districts) must be applied to:

(1) activities in the district; or

(2) to pay the principal, premium, or purchase price of, or interest on, bonds, to the extent the proceeds of the bonds were applied to activities in the district; or

(3) to pay the principal, premium, or purchase price of, or interest on, credit enhanced bonds. No more than 25 percent of the tax increment derived from a district, excluding hazardous substance districts, manufacturing districts that provide financial assistance to a tourism facility, and redevelopment districts, may be applied, through a development fund or otherwise, to activities outside the district or to pay the principal, premium, or purchase price of, or interest on, bonds, to the extent the proceeds of the bonds were applied to activities outside the district, except to pay the principal, premium, or purchase price of, or interest on, credit enhanced bonds.

(b) For purposes of this subdivision, "activities in the district" includes:

(1) in the case of any district, the activities described in section 7 [469.1796], subdivision 2;

(2) in the case of a housing district, any housing described in section 3 [469.1792], subdivision 3;

(3) any activities authorized in subdivision 1, paragraph (a), clause (3), undertaken within the boundaries of the district;

(4) payments of attorney general expenses and pollution control

agency expenses referred to in subdivision 1, paragraph (a), clause (4);

(5) payments to a school district of tax increment that is attributable to a referendum levy, referred to in subdivision 1, paragraph (a), clause (5);

(6) county road costs and expenses of administration, referred to in subdivision 1, paragraph (a), clause (6);

(7) distributions of excess tax increment, referred to in subdivision 1, paragraph (a), clause (7); and

(8) transfers of tax increment from parcels in qualified districts, referred to in subdivision 1, paragraph (a), clause (8).

(c) Tax increment derived from a district is considered to have been applied to an activity in the district described in paragraph (b), clause (1), (2), or (3), only if:

(1) on or before the fifth anniversary of the date of certification of the district, the tax increment is actually paid to a third party with respect to the activity in the district;

(2) the tax increment is used to pay the principal, premium, or purchase price of, or interest on, bonds if, on or before the fifth anniversary of the date of certification of the district, the bonds are sold to a third party and the proceeds of the bonds are reasonably expected on the date of issuance of the bonds to be deposited in a reserve or replacement fund or spent before the later of:

(i) the fifth anniversary of the date of issuance of the bonds; or

(ii) the expiration of a reasonable temporary period, as defined in section 148(c)(1) of the Internal Revenue Code;

(3) on or before the fifth anniversary of the date of certification of the district, a binding contract is entered into with a third party for performance of the activity in the district and the tax increment is applied in accordance with the terms of the binding contract; or

(4) on or before the fifth anniversary of the date of certification of the district, costs of the activity in the district are paid and the tax increment is applied to reimburse a person for payment of such costs, including interest on unreimbursed costs.

(d) For purposes of paragraph (c), "third party" means any person other than: (1) a person receiving the benefit of assistance financed with tax increment, or (2) the authority, the municipality, or any person substantially under the control of the municipality. For

purposes of paragraph (c), "bonds" includes refunding bonds if the original refunded bonds are described in paragraph (c), clause (2).

Subd. 3. [OTHER GENERAL USE LIMITATIONS.] (a) Tax increment derived from a district, revenues derived from the sale, lease, or operation of any property or facility financed in whole or in part with tax increment, and earnings derived from the investment of the foregoing cannot be applied to the administrative expenses of a project in excess of ten percent of the total tax increment expenditures authorized by the plan or the total tax increment expenditures for the project, whichever is less.

(b) Tax increment cannot be used for the acquisition, construction, renovation, operation, or maintenance of a building to be used primarily and regularly for conducting the business of a municipality, county, school district, or any other local unit of government, or the state or federal government. This paragraph does not prohibit the use of tax increment for the construction or renovation of a parking structure, commons area used as a public park, or a facility used for social, recreational, or conference purposes and not primarily for conducting the business of a local unit of government, or the state or federal government.

(c) Tax increment derived from parcels located in one county cannot be applied to uses in another county unless the governing bodies of both counties agree to such application.

(d) Tax increment, revenues derived from the sale, lease, or operation of any property or facility financed in whole or in part with tax increment, and earnings derived from the investment of the foregoing cannot be transferred from an authority to any political subdivision of the state unless:

(1) the transfer is specifically authorized by statute;

(2) the transfer is made in exchange for specific services, such as legal, financial, or engineering services, performed by the political subdivision for the authority and the total amount of such transfers to all political subdivisions in a calendar year does not exceed \$250,000;

(3) the transfer is made to the political subdivision under the terms of a contract that was awarded to the political subdivision pursuant to public bidding procedures, or the transfer is made to the political subdivision according to a central service cost allocation plan, as described by Office of Management and Budget circular A-87 and the plan has been approved by the state auditor; or

(4) the transfer is made to repay a loan from the political subdivision to the authority.

If tax increment, revenues, or earnings referred to in the preceding sentence are transferred to a political subdivision, such tax increment, revenues, and earnings must be used by the political subdivision solely for purposes authorized by chapter 469 (excluding sections 469.152 to 469.165 and sections 469.1781 and 469.1831).

**Sec. 7. [469.1796] [SPECIFIC LIMITATIONS ON THE USES OF TAX INCREMENT.]**

**Subdivision 1. [ECONOMIC DEVELOPMENT DISTRICT LIMITATIONS.]** (a) Tax increment derived from an economic development district cannot be applied to improvements, loans, subsidies, grants, interest rate subsidies, or assistance in any form to a building if:

(1) 20 percent or more of the building, by square footage, is used for a nonqualifying purpose; or

(2) if the nonqualifying purpose is directly related to and in support of the other purposes of the building, 35 percent or more of the building, by square footage, is used for a nonqualifying purpose.

(b) For purposes of this subdivision, "nonqualifying purpose" means any purpose other than: (1) a manufacturing facility, as defined in section 3 [469.1792], subdivision 4, paragraph (b); or (2) a tourism facility, as defined in section 3 [469.1792], subdivision 4, paragraph (c). For purposes of this subdivision, "qualifying purpose" means any purpose that is not a nonqualifying purpose.

(c) If tax increment assistance is provided with respect to a building that the authority expected to be used primarily for a qualifying purpose, and, within five years after the date of certification of the district, more than 20 percent of the building is used for a nonqualifying purpose (more than 35 percent, if the nonqualifying purpose is directly related to and in support of the qualifying purpose), the recipient of the tax increment assistance must pay to the authority an amount equal to 90 percent of the benefit resulting from the tax increment assistance. The amount required to be paid may not exceed the amount of tax increment assistance provided with respect to the building. Any money received by the authority under this paragraph must be considered to be tax increment derived from the economic development district and must be used by the authority in accordance with section 6 [469.1795]. For purposes of this paragraph, "benefit" has the meaning given in chapter 429.

(d) Paragraph (a) does not apply to up to 5,000 square feet of commercial and retail space in any municipality with a population of 10,000 or less. The 5,000 square feet limitation is cumulative and applies to all facilities in all economic development districts within the municipality.

Subd. 2. [HAZARDOUS SUBSTANCE DISTRICT LIMITATIONS.] Tax increment derived from a hazardous substance district must be used only as follows:

(1) to pay or reimburse the costs of removal or remedial actions, as defined in section 115B.02, subdivisions 16 and 17, with respect to hazardous substances or pollutants or contaminants or petroleum releases affecting or which may affect the designated hazardous substance district;

(2) to pay or reimburse the costs of pollution testing, demolition, and soil compaction correction necessitated by the action plan for the hazardous substance district;

(3) to pay or reimburse the costs of relocation costs, related administrative expenses, legal fees, and attorney general expenses or pollution control agency expenses, referred to in section 6 [469.1795], subdivision 1, paragraph (a), clause (4), and paragraph (c);

(4) to pay the principal, premium, or purchase price of, or interest on, credit enhanced bonds or bonds issued to finance any of the foregoing;

(5) to pay to a school district the tax increment attributable to a referendum levy, referred to in section 6 [469.1795], subdivision 1, paragraph (a), clause (5);

(6) to pay county road costs and costs of administration, referred to in section 6 [469.1795], subdivision 1, paragraph (a), clause (6);

(7) to distribute excess tax increment, as referred to in section 6 [469.1795], subdivision 1, paragraph (a), clause (7); or

(8) to transfer tax increment from parcels in qualified districts to the school districts in which such parcels are located, as referred to in section 6 [469.1795], subdivision 1, paragraph (a), clause (8).

Subd. 3. [HOUSING DISTRICT LIMITATIONS.] (a) Tax increment derived from a housing district must be used only as follows:

(1) to finance the costs of land acquisition, the acquisition, installation, and construction of utilities, and the acquisition, installation, and construction of publicly-owned improvements related to qualified owner-occupied housing, as described in paragraph (b), and the relocation costs, administrative expenses, and costs of public improvements directly related to the qualified owner-occupied housing;

(2) to finance the costs of land acquisition, the acquisition,

installation, and construction of utilities, and the acquisition, installation, and construction of publicly-owned improvements related to qualified rental housing, as described in paragraph (c), and the administrative expenses and costs of public improvements directly related to the qualified rental housing;

(3) to finance an interest reduction program, as described in subdivision 4, with respect to rental housing;

(4) to finance the costs of land acquisition, the acquisition, installation, and construction of utilities, and the acquisition, installation, and construction of publicly-owned improvements related to any housing facilities located in a targeted area, as defined in section 462C.02, subdivision 9, clause (e);

(5) to pay the principal, premium, or purchase price of, or interest on, credit enhanced bonds or bonds issued to finance any of the foregoing;

(6) to pay to a school district the tax increment attributable to a referendum levy, referred to in section 6 [469.1795], subdivision 1, paragraph (a), clause (5);

(7) to pay the county road costs and costs of administration, referred to in section 6 [469.1795], subdivision 1, paragraph (a), clause (6);

(8) to distribute excess tax increment, as referred to in section 6 [469.1795], subdivision 1, paragraph (a), clause (7); or

(9) to transfer tax increment from parcels in qualified districts to the school districts in which such parcels are located, as referred to in section 6 [469.1795], subdivision 1, paragraph (a), clause (8).

(b) Owner-occupied housing will constitute qualified owner-occupied housing if:

(1) 95 percent of the housing units are initially purchased and occupied by a person or persons whose family income is equal to or less than the maximum income requirements for single family housing financed with qualified mortgage bonds within the meaning of section 143 of the Internal Revenue Code; and

(2) no more than 20 percent of the market value of the owner-occupied housing development consists of commercial uses or uses other than qualified owner-occupied housing. Fair market values may be determined using the cost of construction, capitalized income, or other appropriate method of estimating market value.

(c) Rental housing will constitute qualified rental housing if the



rental housing is occupied by persons and families of low or moderate income, and no more than 20 percent of the market value of the rental housing development consists of commercial uses or uses other than qualified rental housing. Fair market values may be determined using the cost of construction, capitalized income, or other appropriate method of estimating market value. Rental housing will be considered occupied by persons and families of low or moderate income if the rental and occupancy requirements of section 142(d) of the Internal Revenue Code are satisfied, or if 50 percent or more of the dwelling units in the rental housing are occupied by individuals whose income is 80 percent or less of the area median income, as defined in section 142(d) of the Internal Revenue Code.

Subd. 4. [INTEREST REDUCTION PROGRAM LIMITATIONS.] Tax increment may be applied to the costs of an interest reduction program established under section 469.012, subdivisions 7 to 9, or under any other law granting interest reduction authority by reference to section 469.012, subdivisions 7 to 9, subject to the following limitations:

(1) tax increment must not be applied to the interest reduction program in excess of 12 years, unless the tax increment is used to provide financial assistance to residential rental property occupied or to be occupied by persons and families of low or moderate income, as defined in section 3 [469.1792], subdivision 3;

(2) no tax increment may be used for an interest reduction program if the proceeds of bonds issued after December 31, 1985, have been or will be used to provide financial assistance to the specific project that would receive the benefit of the interest reduction program; and

(3) tax increment must not be applied to an interest reduction program for owner-occupied housing.

Subd. 5. [MANUFACTURING DISTRICT LIMITATIONS.] Tax increment derived from a manufacturing district must be used only as follows:

(1) to pay or reimburse the costs of the acquisition of land for a manufacturing facility or a tourism facility, or the construction or rehabilitation of a public improvement, a manufacturing facility, or a publicly-owned tourism facility, as defined in section 3 [469.1792], subdivision 4, or relocation costs;

(2) to pay the principal, premium, or purchase price of, or interest on, credit enhanced bonds or bonds issued to finance such costs;

(3) to pay to a school district the tax increment attributable to a

referendum levy, referred to in section 6 [469.1795], subdivision 1, paragraph (a), clause (5);

(4) to pay the county road costs and costs of administration referred to in section 6 [469.1795], subdivision 1, paragraph (a), clause (6);

(5) to distribute excess tax increment, as referred to in section 6 [469.1795], subdivision 1, paragraph (a), clause (7); or

(6) to transfer tax increment from parcels in qualified districts to the school districts in which such parcels are located, as referred to in section 6 [469.1795], subdivision 1, paragraph (a), clause (8).

Subd. 6. [REDEVELOPMENT DISTRICT AND RENOVATION DISTRICT LIMITATIONS.] At least 90 percent of the tax increment derived from a redevelopment district must be used to finance the costs of correcting conditions that allow the designation of redevelopment districts, pay the principal, premium, or purchase price of, or interest on, credit enhanced bonds or bonds issued to finance such costs, or pay relocation costs, or must be applied to pay to a school district the tax increment attributable to a referendum levy, referred to in section 6 [469.1795], subdivision 1, paragraph (a), clause (5), to pay county road costs and costs of administration, referred to in section 6 [469.1795], subdivision 1, paragraph (a), clause (6), to distribute excess tax increment, as referred to in section 6 [469.1795], subdivision 1, paragraph (a), clause (7), or to transfer tax increment from parcels in qualified districts to the school districts in which such parcels are located, as referred to in section 6 [469.1795], subdivision 1, paragraph (a), clause (8). At least 90 percent of the tax increment derived from a renovation district must be used to finance the costs of correcting conditions that allow the designation of renovation districts, pay the principal, premium, or purchase price of, or interest on, credit enhanced bonds or bonds issued to finance such costs, or pay relocation costs, or must be applied to pay to a school district the tax increment attributable to a referendum levy, referred to in section 6 [469.1795], subdivision 1, paragraph (a), clause (5), to pay county road costs and costs of administration, referred to in section 6 [469.1795], subdivision 1, paragraph (a), clause (6), to distribute excess tax increment, as referred to in section 6 [469.1795], subdivision 1, paragraph (a), clause (7), or to transfer tax increment from parcels in qualified districts to the school districts in which such parcels are located, as referred to in section 6 [469.1795], subdivision 1, paragraph (a), clause (8). These costs include acquiring properties containing structurally standard buildings or improvements, acquiring adjacent parcels necessary to provide a site of sufficient size to permit development, demolition of structures, clearing of the land, installation of utilities, roads, sidewalks, and parking facilities for the site, and administrative expenses allocable to such costs.

Subd. 7. [SOILS CONDITION DISTRICT LIMITATIONS.] Tax increment derived from a soils condition district must be used only as follows:

(1) to acquire parcels, pay for the cost of correcting unusual terrain or soil deficiencies on the acquired parcels, pay for the installation of public improvements with respect to the acquired parcels, pay relocation costs, and pay the administrative expenses allocable to the soils condition district;

(2) to pay the principal, premium, or purchase price of, or interest on, credit enhanced bonds or bonds issued to finance any of the foregoing;

(3) to pay to a school district the tax increment attributable to a referendum levy, referred to in section 6 [469.1795], subdivision 1, paragraph (a), clause (5);

(4) to pay county road costs and costs of administration, referred to in section 6 [469.1795], subdivision 1, paragraph (a), clause (6);

(5) to distribute excess tax increment, as referred to in section 6 [469.1795], subdivision 1, paragraph (a), clause (7); or

(6) to transfer tax increment from parcels in qualified districts to the school districts in which such parcels are located, as referred to in section 6 [469.1795], subdivision 1, paragraph (a), clause (8).

Subd. 8. [UNDERGROUND SPACE DISTRICT LIMITATIONS.] Tax increment derived from an underground space district must be used only as follows:

(1) pay the costs of excavating and supporting the mined underground space, pay the costs of providing public access, including roadways, to the mined underground space, pay relocation costs, and pay the costs of installing utilities, including fire sprinkler systems in the mined underground space;

(2) to pay the principal, premium, or purchase price of, or interest on, credit enhanced bonds or bonds issued to finance any of the foregoing;

(3) to pay to a school district the tax increment attributable to a referendum levy, referred to in section 6 [469.1795], subdivision 1, paragraph (a), clause (5);

(4) to pay county road costs and costs of administration, referred to in section 6 [469.1795], subdivision 1, paragraph (a), clause (6);

(5) to distribute excess tax increment, as referred to in section 6 [469.1795], subdivision 1, paragraph (a), clause (7); or

(6) to transfer tax increment from parcels in qualified districts to the school districts in which such parcels are located, as referred to in section 6 [469.1795], subdivision 1, paragraph (a), clause (8).

Sec. 8. [469.1797] [BONDS.]

Subdivision 1. [GENERALLY.] Notwithstanding any other law, no obligations, payment for which tax increment is pledged, shall be issued in connection with any project for which tax increment financing has been undertaken except as authorized in this section. Bonds are not included in the net debt of any municipality.

Subd. 2. [MUNICIPALITY GENERAL OBLIGATION BONDS.] A municipality may issue general obligation bonds to finance any expenditure or use referred to in section 6 [469.1795], subdivision 1, made by the municipality or by an authority the jurisdiction of which is wholly or partially within the municipality, in the same manner and subject only to the same conditions as those provided in chapter 475 for obligations financing improvement costs reimbursable from special assessments. Any pledge of tax increment, assessments, or other revenues for the payment of the principal, premium, or purchase price of, or interest on general obligation bonds issued under this subdivision, except when the authority and the municipality are the same, must be made by written agreement between the authority and the municipality. If the authority and the municipality are the same, the municipality may, by a resolution covenant, pledge tax increment, assessments, or other revenues for the payment of the principal, premium, or purchase price of, or interest on, general obligation bonds issued under this subdivision. If tax increment, assessments, and other revenues are pledged to general obligation bonds of the municipality, the estimated collections of tax increment, assessments, and other revenues so pledged may be deducted from the taxes otherwise required to be levied under section 475.61, subdivision 1, or the collections thereof may be certified annually to reduce or cancel the initial tax levies in accordance with section 475.61, subdivision 1 or 3.

Subd. 3. [AUTHORITY GENERAL OBLIGATION BONDS.] If the authority and the municipality are not the same, the authority may issue general obligation bonds to finance any expenditure or use referred to in section 6 [469.1795], subdivision 1, made by the authority or by a municipality the jurisdiction of which wholly or partially includes the authority. General obligation bonds of the authority must be authorized by resolution of the authority and may be issued in one or more series, have the date or dates, mature on such dates, bear interest at such rate or rates, be in the denominations and form, carry conversion or registration privileges, have the rank or priority, be executed in the manner, be payable in medium of

payment at the place or places, and be subject to the terms of redemption or purchase, with or without premium, as the resolution or an indenture or mortgage may provide. The bonds may be sold at public or private sale at the price or prices the authority determines by resolution. In any suit or proceedings involving the validity or enforceability of any bonds of the authority or the security for the bonds, any bond reciting in substance that it has been issued by the authority to aid in financing a project must be conclusively considered issued for that purpose, and the districts within the project must be conclusively considered planned, located, and carried out in accordance with the purposes and provisions of sections 1 [469.179] to 10 [469.1799]. No director, commissioner, council member, board member, officer, employee, or agent of the authority nor any person executing the bonds is liable personally on the bonds by reason of their issuance. The bonds of the authority are not a debt of any municipality, the state, or any political subdivision of the state, except the authority, and neither the municipality nor the state or any political subdivision of the state, except the authority, is liable thereon, nor shall the bonds be payable out of any funds or properties other than those of the authority and any tax increment and revenues of a district pledged for payment of the bonds.

Subd. 4. [AUTHORITY REVENUE BONDS.] Notwithstanding any other law, an authority may issue revenue bonds payable solely from all or part of revenues, including tax increment and assessments, derived from one or more districts, to finance any expenditure or use referred to in section 6 [469.1795], subdivision 1. Revenue bonds of the authority must be authorized by resolution of the authority and may be issued in one or more series, have the date or dates, mature on such dates, bear interest at the rate or rates, be in the denominations and form, carry conversion or registration privileges, have the rank or priority, be executed in the manner, be payable in medium of payment at the place or places, and be subject to the terms of redemption or purchase, with or without premium, as the resolution or an indenture or mortgage may provide. The bonds may be sold at public or private sale at the price or prices the authority determines by resolution. In any suit or proceedings involving the validity or enforceability of any bonds of the authority or the security for the bonds, any bond reciting in substance that it has been issued by the authority to aid in financing a project must be conclusively considered issued for that purpose, and the districts within the project must be conclusively considered planned, located, and carried out in accordance with the purposes and provisions of sections 1 [469.179] to 10 [469.1799]. No director, commissioner, council member, board member, officer, employee, or agent of the authority nor any person executing the bonds is liable personally on the bonds by reason of their issuance. The bonds may be further secured by a pledge and mortgage of all or any part of the project in aid of which the bonds are issued and by covenants the authority determines by resolution to be necessary and proper to secure payment of the bonds. The bonds are not payable from any funds

other than the revenues and property pledged or mortgaged to the payment thereof, and the authority is not subject to any liability thereon and has no powers to pay or obligate itself to pay the bonds from funds other than the revenues and properties pledged and mortgaged. No owners of the bonds can compel any exercise of any taxing power of the authority or any other public body, other than as permitted or required under sections 1 [469.179] to 10 [469.1799] and pledged, to pay the principal, premium, or purchase price of, or interest on, the bonds or to enforce payment of the bonds against any property of the authority or other public body other than that expressly pledged or mortgaged for payment of them.

Subd. 5. [TEMPORARY BONDS.] (a) In anticipation of the issuance of bonds under subdivision 2, 3, or 4, the authority or municipality may, by resolution, issue temporary bonds under subdivision 2, 3, or 4, maturing within three years from their date of issue, to finance any part or all of any expenditure or use referred to in section 6 [469.1795], subdivision 1. To the extent that the principal or premium of or interest on the temporary bonds cannot be paid when due from receipts of tax increment, assessments, or other funds appropriated for the purpose, the principal, premium, and interest must be paid from the proceeds of long-term bonds or additional temporary bonds that the authority or municipality offers for sale in advance of the maturity date of the temporary bonds, but the indebtedness funded by an issue of temporary bonds cannot be extended by the issuance of additional temporary bonds for more than six years from the date of the first issue. Long-term bonds may be issued under subdivision 2, 3, or 4 without regard to whether the temporary bonds were issued under subdivision 2, 3, or 4. If general obligation temporary bonds are issued under subdivision 2, the proceeds of long-term bonds or additional temporary bonds not yet sold may be treated as pledged revenues in reduction of the tax otherwise required by section 475.61 to be levied before delivery of the obligations. Subject to the six-year maturity limitation referred to in this subdivision, but without regard to the requirement of section 475.58, if any temporary bonds are not paid in full at maturity, in addition to any other remedy authorized or permitted by law, the owners of the bonds may demand that the authority or municipality issue replacement temporary bonds under subdivision 2, 3, or 4 to be exchanged at par for the outstanding temporary bonds. The replacement temporary bonds must mature within one year of the date of their date of issue and bear interest at the same rates as the temporary bonds replaced. The authority or municipality must issue a replacement temporary bond and exchange it for an outstanding temporary bond not paid in full at maturity, in accordance with the terms of this subdivision, upon demand of the owner of the temporary bond.

(b) Funds of a municipality may be invested in its temporary bonds in accordance with section 471.56, and may be purchased upon their initial issuance, but must be purchased only from funds that

the governing body of the municipality determines will not be required for other purposes before the maturity date, and must be resold before maturity only in case of emergency. If purchased from a debt service fund securing other bonds, the owners of the other bonds may enforce the obligations of the municipality with respect to the temporary bonds as if such owners were the owners of the temporary bonds.

Subd. 6. [FEDERAL VOLUME LIMITATIONS.] Sections 474A.01 to 474A.21 apply to any issuance of obligations under this section that is subject to limitation under federal tax law, as defined in section 474A.02, subdivision 8.

Subd. 7. [INTERNAL BORROWING.] In lieu of issuing bonds and using the proceeds from the sale of bonds to finance the costs of a project, an authority may use other available funds to finance such costs. Notwithstanding any limitations imposed by sections 1 [469.179] to 10 [469.1799] on the uses of tax increment, tax increment may be used to reimburse the authority the principal amount of other available funds used to finance the costs of the project, and tax increment may also be used to reimburse the authority for the investment earnings the authority would have realized from the investment of other available funds if the funds had been invested and not used to finance the costs of the project. For purposes of this subdivision, the earnings that the authority would have realized from the investment of the other available funds must be calculated from the date of expenditure of the other available funds to the date of reimbursement of the funds at an interest rate equal to the prevailing rate for 30-year United States Treasury bonds, as reported in the Wall Street Journal on the nearest date prior to the date of the expenditure.

Sec. 9. [469.1798] [ENFORCEMENT.]

Subdivision 1. [GENERALLY.] (a) The commissioner of revenue may bring suit for equitable relief or for damages, as provided in subdivisions 2, 3, and 4, arising out of a failure of a municipality or authority to comply with sections 1 [469.179] to 10 [469.1799] or related provisions of this chapter, with respect to any district in the municipality or authority. In addition, any owner of taxable property located in the city, town, school district, or county in which a district is located may bring suit for equitable relief or for damages, as provided in subdivisions 2, 3, and 4, arising out of a failure of a municipality or authority to comply with sections 1 [469.179] to 10 [469.1799], or related provisions of this chapter, with respect to the district. The prevailing party in a suit filed under the preceding sentence is entitled to costs, including reasonable attorney fees.

(b) The responsibility for financial and compliance auditing of the use of tax increment financing by authorities and municipalities remains with the state auditor. If the state auditor finds evidence

that an authority or municipality has violated a provision of the law for which a remedy is provided under this section, the state auditor must forward the relevant information to the commissioner of revenue. The commissioner of revenue may audit the use of tax increment financing by an authority.

Subd. 2. [COLLECTION OF INCREMENT.] If an authority includes or retains a parcel in a district that does not qualify for inclusion or retention in the district, the authority must pay to the county auditor an amount of money equal to the tax increment derived from the parcel for the year or years that the parcel did not qualify for inclusion or retention in the district. The original tax capacity must be reduced by the amount of the original tax capacity allocated to the parcel and the current tax capacity must be reduced by the amount of current tax capacity allocated to the parcel, effective for the current property tax assessment year. This subdivision does not apply to a failure to terminate a district on the termination date specified in the plan.

Subd. 3. [TAX INCREMENT EXPENDITURES.] An authority must pay to the county auditor an amount of money equal the tax increment and the proceeds of bonds spent or used:

(1) for a purpose that is not permitted under sections 6 [469.1795] and 7 [469.1796], or

(2) for an activity outside the geographic area in which the tax increment and proceeds of bonds may be spent or used.

Subd. 4. [LIMITATIONS.] (a) If tax increment is pledged to bonds that were issued before any suit is filed under this section, the damages under this section cannot exceed the greatest of:

(1) the damages under subdivision 2 or 3;

(2) ten percent of the sum of the tax increment and proceeds of bonds spent or used for a purpose that is not permitted under sections 6 [469.1795] and 7 [469.1796] or expended or used for an activity outside the geographic area in which the tax increment and proceeds of bonds may be spent or used; or

(3) the tax increment remaining after payment of the principal of and interest due on the bonds.

(b) In any action for damages commenced under this section, a court may abate or reduce the damages authorized in this section if the court determines that:

(1) the action by the authority or municipality was undertaken with a good faith belief in the conformity with applicable law of:



(i) the inclusion or retention of a parcel in a district that did not qualify for inclusion or retention in the district; or

(ii) the expenditures or use of tax increment or the proceeds of bonds for a purpose not authorized under sections 6 [469.1795] or 7 [469.1796] or for an activity outside the geographic area in which the tax increment and proceeds of bonds may be spent or used; and

(2) the payment of such damages would impose an undue hardship upon the authority or municipality.

Subd. 5. [DISPOSITION OF PAYMENTS.] If the authority or municipality does not have sufficient tax increment or proceeds of bonds to pay the damages imposed by this section, the municipality that approved the district must use any available money to pay the damages, including the proceeds of any property taxes levied for such purposes. Money received by the county auditor under this section must be distributed as excess tax increment in accordance with section 6 [469.1795], subdivision 1, paragraphs (a), clause (7), and (f), except that no distribution may be made to the municipality that approved the district.

Sec. 10. [469.1799] [APPLICABILITY; EFFECTIVE DATES.]

Subdivision 1. [GENERALLY.] Sections 1 [469.179] to 10 [469.1799] apply to a district if the date of certification of the district occurs on or after the effective date of these sections. If the date of certification of a district occurs before the effective date of sections 1 [469.179] to 10 [469.1799], sections 1 [469.179] to 10 [469.1799] will nevertheless apply to a parcel of the district if the parcel was added to the district by the authority after the effective date of these sections.

Subd. 2. [PROVISIONS APPLICABLE TO ALL DISTRICTS.] Notwithstanding subdivision 1, the following provisions of sections 1 [469.179] to 10 [469.1799] apply to all districts, regardless of the dates of certification of such districts:

- (1) section 3 [469.1792], subdivision 4, paragraph (c), clause (4);
- (2) section 4 [469.1793];
- (3) section 6 [469.1795], subdivision 3;
- (4) section 8 [469.1797];
- (5) section 9 [469.1798]; and
- (6) section 10 [469.1799].

In addition, for a district created before the effective date of sections 1 [469.179] to 10 [469.1799], section 2 [469.1791], subdivision 3, applies to the district upon the first amendment to the plan for the district after the effective date of sections 1 [469.179] to 10 [469.1799].

Subd. 3. [ELECTION.] (a) An authority may elect to have sections 1 [469.179] to 10 [469.1799] apply to a district even if the date of certification of the district occurred before the effective date of these sections. An election under this subdivision must be made by resolution of the authority and is not effective until a certified copy of the resolution has been delivered to the county auditor of the county in which the district is located. An election under this subdivision is irrevocable.

(b) If the date of certification of a district occurred before the effective date of sections 1 [469.179] to 10 [469.1799], and the authority elects to have sections 1 [469.179] to 10 [469.1799] apply to the district, then:

(1) a claim for damages may not be commenced under section 9 [469.1798] for any action that occurred before the effective date of sections 1 [469.179] to 10 [469.1799], if the election is made before delivery to the authority of the claim for damages under section 9 [469.1798]; and

(2) for all purposes, the district will be considered created in accordance with applicable law, all tax increment received by the authority prior to the effective date of sections 1 [469.179] to 10 [469.1799] will be considered collected in accordance with applicable law, and all tax increment expended by the authority before the effective date of sections 1 [469.179] to 10 [469.1799] will be considered expended in accordance with applicable law.

Subd. 4. [MANDATORY APPLICATION.] If the date of certification of a district occurred before August 1, 1979, and the development or redevelopment activity within the district is extended beyond the scope of activity set forth in the plan on May 1, 1992, then sections 1 [469.179] to 10 [469.1799] apply to the district after the date that the development or redevelopment activity within the district is extended beyond the scope of activity set forth in the plan on May 1, 1992.

Sec. 11. [REPEALER.]

Minnesota Statutes 1990, section 273.1399, as amended by Laws 1991, chapter 291, article 10, sections 1 and 2, is repealed.

Sec. 12. [INSTRUCTION TO REVISOR.]

In the next edition of Minnesota Statutes, the revisor of statutes shall recodify section 469.179 as section 469.1785, and correct any cross-references to the recodified section. If section 469.179 is amended in the 1992 legislative session, the revisor shall codify the amendment in the renumbered section.

Sec. 13. [EFFECTIVE DATE.]

Except as otherwise provided in this act, sections 1 [469.179] to 10 [469.1799] are effective the day following final enactment. Section 6 [469.1795], subdivision 3, paragraph (d), is effective after December 31, 1992, for property and facilities acquired or constructed after December 31, 1992. Section 11 is effective for school year 1992-1993 and for homestead and agricultural credit aid and local government aids payable in 1992, and thereafter for districts created after the effective date of sections 1 [469.179] to 10 [469.1799].

ARTICLE 2

RELATED PROVISIONS

Section 1. Minnesota Statutes 1990, section 8.31, is amended by adding a subdivision to read:

Subd. 4. [CIVIL ACTIONS UNDER SECTION 115B.04.] Upon the request of an authority, as defined in article 1, section 1 [469.179], subdivision 4, the attorney general may bring a civil action under section 115B.04 or other law, or the attorney general may intervene in an action brought by an authority. The attorney general may provide legal and technical advice or other assistance to an authority commencing such a civil action. The attorney general may deduct its administrative costs and litigation expenses from any recovery. The attorney general may accept tax increment from an authority as reimbursement for the administrative costs and litigation expenses of the attorney general. Any recovered administrative expenses or litigation costs must be deposited in the general fund of the state to the account of the attorney general.

Sec. 2. Minnesota Statutes 1990, section 116.07, is amended by adding a subdivision to read:

Subd. 4I. [HAZARDOUS SUBSTANCE DISTRICTS.] The agency shall review and, in its discretion, approve action proposals, as defined in article 1, section 1 [469.179], subdivision 2, with respect to hazardous substance districts, as defined in article 1, section 1 [469.179], subdivision 15. The agency shall render any services requested by the attorney general with respect to actions in a hazardous substance district undertaken by the attorney general under section 8.31, subdivision 4. The agency may accept tax increment from an authority, as defined in article 1, section 1

[469.179], subdivision 4, in reimbursement for expenses incurred by the agency in reviewing and approving plans and in rendering services to the attorney general. Any reimbursements must be deposited in the environmental response, compensation, and compliance account in the environmental fund in the state treasury.

Sec. 3. Minnesota Statutes 1991 Supplement, section 124A.03, subdivision 2, is amended to read:

Subd. 2. [REFERENDUM REVENUE.] (a) The revenue authorized by section 124A.22, subdivision 1, may be increased in the amount approved by the voters of the district at a referendum called for the purpose. The referendum may be called by the school board or shall be called by the school board upon written petition of qualified voters of the district. Unless the referendum is conducted by mail under paragraph (g), the referendum must be held on the first Tuesday after the first Monday in November. The ballot shall state the maximum amount of the increased revenue per actual pupil unit, the estimated net tax capacity rate in the first year it is to be levied, and that the revenue shall be used to finance school operations. The ballot may state that existing levy authority is expiring. In this case, the ballot may also compare the proposed levy authority to the existing expiring levy authority, and express the proposed increase as the amount, if any, over the expiring authority. The ballot shall designate the specific number of years, not to exceed five, for which the referendum authorization shall apply. The ballot may contain a textual portion with the information required in this subdivision and a question stating substantially the following:

“Shall the increase in the revenue proposed by (petition to) the board of ....., School District No. ..., be approved?”

If approved, an amount equal to the approved revenue per actual pupil unit times the actual pupil units for the school year beginning in the year after the levy is certified shall be authorized for certification for the number of years approved, if applicable, or until revoked or reduced by the voters of the district at a subsequent referendum.

(b) The school board shall prepare and deliver by first class mail at least 15 days but no more than 30 days prior to the day of the referendum to each taxpayer at the address listed on the school district's current year's assessment roll, a notice of the referendum and the proposed revenue increase. For the purpose of giving mailed notice under this subdivision, owners shall be those shown to be owners on the records of the county auditor or, in any county where tax statements are mailed by the county treasurer, on the records of the county treasurer. Every property owner whose name does not appear on the records of the county auditor or the county treasurer shall be deemed to have waived this mailed notice unless the owner has requested in writing that the county auditor or county treasurer,

as the case may be, include the name on the records for this purpose. The notice must project the anticipated amount of tax increase in annual dollars and annual percentage for typical residential homesteads, agricultural homesteads, apartments, and commercial-industrial property within the school district.

The notice for a referendum may state that an existing referendum levy is expiring and project the anticipated amount of increase over the existing referendum levy, if any, in annual dollars and annual percentage for typical residential homesteads, agricultural homesteads, apartments, and commercial-industrial property within the school district.

The notice must include the following statement: "Passage of this referendum will result in an increase in your property taxes."

(c) A referendum on the question of revoking or reducing the increased revenue amount authorized pursuant to paragraph (a) may be called by the school board and shall be called by the school board upon the written petition of qualified voters of the district. A referendum to revoke or reduce the levy amount must be based upon the dollar amount, local tax rate, or amount per actual pupil unit, that was stated to be the basis for the initial authorization. Revenue approved by the voters of the district pursuant to paragraph (a) must be received at least once before it is subject to a referendum on its revocation or reduction for subsequent years. Only one revocation or reduction referendum may be held to revoke or reduce referendum revenue for any specific year and for years thereafter.

(d) A petition authorized by paragraph (a) or (c) shall be effective if signed by a number of qualified voters in excess of 15 percent of the registered voters of the school district on the day the petition is filed with the school board. A referendum invoked by petition shall be held on the date specified in paragraph (a).

(e) The approval of 50 percent plus one of those voting on the question is required to pass a referendum authorized by this subdivision.

(f) At least 15 days prior to the day of the referendum, the district shall submit a copy of the notice required under paragraph (b) to the commissioner of education. Within 15 days after the results of the referendum have been certified by the school board, or in the case of a recount, the certification of the results of the recount by the canvassing board, the district shall notify the commissioner of education of the results of the referendum.

(g) Any referendum under this section held on a day other than the first Tuesday after the first Monday in November must be conducted by mail in accordance with section 204B.46. Notwithstanding paragraph (b) to the contrary, in the case of a referendum conducted by

mail under this paragraph, the notice required by paragraph (b) shall be prepared and delivered by first class mail at least 20 days before the referendum.

(h) The district may accept from an authority, as defined in article 1, section 1 [469.179], subdivision 4, tax increment attributable to a referendum levy under the terms of article 1, section 6 [469.1795], subdivision 1, paragraphs (a), clause (5), and (d), and the school board may approve such payments under article 1, section 6 [469.1795], subdivision 1, paragraph (d), clause (2).

Sec. 4. Minnesota Statutes 1990, section 270.06, is amended to read:

#### 270.06 [POWERS AND DUTIES.]

The commissioner of revenue shall:

(1) have and exercise general supervision over the administration of the assessment and taxation laws of the state, over assessors, town, county, and city boards of review and equalization, and all other assessing officers in the performance of their duties, to the end that all assessments of property be made relatively just and equal in compliance with the laws of the state;

(2) confer with, advise, and give the necessary instructions and directions to local assessors and local boards of review throughout the state as to their duties under the laws of the state;

(3) direct proceedings, actions, and prosecutions to be instituted to enforce the laws relating to the liability and punishment of public officers and officers and agents of corporations for failure or negligence to comply with the provisions of the laws of this state governing returns of assessment and taxation of property, and cause complaints to be made against local assessors, members of boards of equalization, members of boards of review, or any other assessing or taxing officer, to the proper authority, for their removal from office for misconduct or negligence of duty;

(4) require county attorneys to assist in the commencement of prosecutions in actions or proceedings for removal, forfeiture and punishment for violation of the laws of this state in respect to the assessment and taxation of property in their respective districts or counties;

(5) require town, city, county, and other public officers to report information as to the assessment of property, collection of taxes received from licenses and other sources, and such other information as may be needful in the work of the department of revenue, in such form and upon such blanks as the commissioner may prescribe;

(6) require individuals, copartnerships, companies, associations, and corporations to furnish information concerning their capital, funded or other debt, current assets and liabilities, earnings, operating expenses, taxes, as well as all other statements now required by law for taxation purposes;

(7) summon witnesses, at a time and place reasonable under the circumstances, to appear and give testimony, and to produce books, records, papers and documents relating to any tax matter which the commissioner may have authority to investigate or determine. Provided, that any summons which does not identify the person or persons with respect to whose tax liability the summons is issued may be served only if (a) the summons relates to the investigation of a particular person or ascertainable group or class of persons, (b) there is a reasonable basis for believing that such person or group or class of persons may fail or may have failed to comply with any tax law administered by the commissioner, (c) the information sought to be obtained from the examination of the records (and the identity of the person or persons with respect to whose liability the summons is issued) is not readily available from other sources, (d) the summons is clear and specific as to the information sought to be obtained, and (e) the information sought to be obtained is limited solely to the scope of the investigation. Provided further that the party served with a summons which does not identify the person or persons with respect to whose tax liability the summons is issued shall have the right, within 20 days after service of the summons, to petition the district court for the judicial district in which lies the county in which that party is located for a determination as to whether the commissioner of revenue has complied with all the requirements in (a) to (e), and thus, whether the summons is enforceable. If no such petition is made by the party served within the time prescribed, the summons shall have the force and effect of a court order;

(8) cause the deposition of witnesses residing within or without the state, or absent therefrom, to be taken, upon notice to the interested party, if any, in like manner that depositions of witnesses are taken in civil actions in the district court, in any matter which the commissioner may have authority to investigate or determine;

(9) investigate the tax laws of other states and countries and to formulate and submit to the legislature such legislation as the commissioner may deem expedient to prevent evasions of assessment and taxing laws, and secure just and equal taxation and improvement in the system of assessment and taxation in this state;

(10) consult and confer with the governor upon the subject of taxation, the administration of the laws in regard thereto, and the progress of the work of the department of revenue, and furnish the governor, from time to time, such assistance and information as the governor may require relating to tax matters;

(11) transmit to the governor, on or before the third Monday in December of each even-numbered year, and to each member of the legislature, on or before November 15 of each even-numbered year, the report of the department of revenue for the preceding years, showing all the taxable property in the state and the value of the same, in tabulated form;

(12) inquire into the methods of assessment and taxation and ascertain whether the assessors faithfully discharge their duties, particularly as to their compliance with the laws requiring the assessment of all property not exempt from taxation;

(13) administer and enforce the assessment and collection of state taxes and, from time to time, make, publish, and distribute rules for the administration and enforcement of state tax laws. The rules have the force of law;

(14) prepare blank forms for the returns required by state tax law and distribute them throughout the state, furnishing them subject to charge on application;

(15) prescribe rules governing the qualification and practice of agents, attorneys, or other persons representing taxpayers before the commissioner. The rules may require that those persons, agents, and attorneys show that they are of good character and in good repute, have the necessary qualifications to give taxpayers valuable services, and are otherwise competent to advise and assist taxpayers in the presentation of their case before being recognized as representatives of taxpayers. After due notice and opportunity for hearing, the commissioner may suspend and disbar from further practice before the commissioner any person, agent, or attorney who is shown to be incompetent or disreputable, who refuses to comply with the rules, or who with intent to defraud, willfully or knowingly deceives, misleads, or threatens a taxpayer or prospective taxpayer, by words, circular, letter, or by advertisement. This clause does not curtail the rights of individuals to appear in their own behalf or partners or corporations' officers to appear in behalf of their respective partnerships or corporations;

(16) appoint agents as the commissioner considers necessary to make examinations and determinations. The agents have the rights and powers conferred on the commissioner to examine books, records, papers, or memoranda, subpoena witnesses, administer oaths and affirmations, and take testimony. Upon demand of an agent, the clerk or court administrator of any court shall issue a subpoena for the attendance of a witness or the production of books, papers, records, or memoranda before the agent. The commissioner may also issue subpoenas. Disobedience of subpoenas issued under this chapter shall be punished by the district court of the district in which the subpoena is issued, or in the case of a subpoena issued by the commissioner, by the district court of the district in which the



party served with the subpoena is located, in the same manner as contempt of the district court;

(17) appoint and employ additional help, purchase supplies or materials, or incur other expenditures in the enforcement of state tax laws as considered necessary. The salaries of all agents and employees provided for in this chapter shall be fixed by the appointing authority, subject to the approval of the commissioner of administration;

(18) execute and administer any agreement with the secretary of the treasury of the United States or a representative of another state regarding the exchange of information and administration of the tax laws;

(19) administer and enforce the provisions of sections 325D.30 to 325D.42, the Minnesota unfair cigarette sales act;

(20) authorize the use of unmarked motor vehicles to conduct seizures or criminal investigations pursuant to the commissioner's authority; and

(21) receive and retain plans, as defined in article 1, section 1 [469.179], subdivision 26, acknowledge the receipt of plans, and make the plans available to the public;

(22) at the discretion of the commissioner, audit the use of tax increment financing by an authority, as defined in article 1, section 1 [469.179], subdivision 4, or bring suit for equitable relief or for damages arising out of a failure of a municipality, as defined in article 1, section 1 [469.179], subdivision 21, or authority to comply with article 1, sections 1 [469.179] to 10 [469.1799] or related provisions of chapter 469, with respect to any district, as defined in article 1, section 1 [469.179], subdivision 13, in the municipality or authority; and

(23) exercise other powers and perform other duties required of or imposed upon the commissioner of revenue by law."

Delete the title and insert:

"A bill for an act relating to tax increment financing; clarifying, recodifying, and providing tax increment financing procedures and requirements; amending Minnesota Statutes 1990, sections 8.31, by adding a subdivision; 116.07, by adding a subdivision; and 270.06; Minnesota Statutes 1991 Supplement, section 124A.03, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 469; repealing Minnesota Statutes 1990, section 273.1399, as amended."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Vellenga from the Committee on Judiciary to which was referred:

H. F. No. 2181, A bill for an act relating to government data practices; referencing provisions codified outside the Minnesota government data practices act; proposing coding for new law in Minnesota Statutes, chapter 13.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1990, section 13.08, subdivision 1, is amended to read:

Subdivision 1. [ACTION FOR DAMAGES.] Notwithstanding section 466.03, a political subdivision, responsible authority, statewide system, or state agency which violates any provision of this chapter is liable to a person or representative of a decedent who suffers any damage as a result of the violation, and The person damaged or a representative in the case of private data on decedents or confidential data on decedents may bring an action against the political subdivision, responsible authority, statewide system or state agency to cover any damages sustained, plus costs and reasonable attorney fees. In the case of a willful violation, the political subdivision, statewide system or state agency shall, in addition, be liable to exemplary damages of not less than \$100, nor more than ~~\$10,000~~ \$5,000 for each violation. The state is deemed to have waived any immunity to a cause of action brought under this chapter.

Sec. 2. Minnesota Statutes 1991 Supplement, section 13.46, subdivision 2, is amended to read:

Subd. 2. [GENERAL.] (a) Unless the data is summary data or a statute specifically provides a different classification, data on individuals collected, maintained, used, or disseminated by the welfare system is private data on individuals, and shall not be disclosed except:

(1) pursuant to section 13.05;

(2) pursuant to court order;

(3) pursuant to a statute specifically authorizing access to the private data;

(4) to an agent of the welfare system, including a law enforcement person, attorney, or investigator acting for it in the investigation or prosecution of a criminal or civil proceeding relating to the administration of a program;

(5) to personnel of the welfare system who require the data to determine eligibility, amount of assistance, and the need to provide services of additional programs to the individual;

(6) to administer federal funds or programs;

(7) between personnel of the welfare system working in the same program;

(8) the amounts of cash public assistance and relief paid to welfare recipients in this state, including their names and social security numbers, upon request by the department of revenue to administer the property tax refund law, supplemental housing allowance, and the income tax;

(9) to the Minnesota department of jobs and training for the purpose of monitoring the eligibility of the data subject for unemployment compensation, for any employment or training program administered, supervised, or certified by that agency, or for the purpose of administering any rehabilitation program, whether alone or in conjunction with the welfare system, and to verify receipt of energy assistance for the telephone assistance plan;

(10) to appropriate parties in connection with an emergency if knowledge of the information is necessary to protect the health or safety of the individual or other individuals or persons;

(11) data maintained by residential facilities as defined in section 245A.02 may be disclosed to the protection and advocacy system established in this state pursuant to Part C of Public Law Number 98-527 to protect the legal and human rights of persons with mental retardation or other related conditions who live in residential facilities for these persons if the protection and advocacy system receives a complaint by or on behalf of that person and the person does not have a legal guardian or the state or a designee of the state is the legal guardian of the person;

(12) to the county medical examiner or the county coroner for identifying or locating relatives or friends of a deceased person; or

(13) data on a child support obligor who makes payments to the public agency may be disclosed to the higher education coordinating board to the extent necessary to determine eligibility under section 136A.121, subdivision 2, clause (5); or

(14) data collected by the telephone assistance plan may be disclosed to the department of revenue to conduct an electronic data match to the extent necessary to determine eligibility under section 237.70, subdivision 4a.

(b) Mental health data shall be treated as provided in subdivisions 7, 8, and 9, but is not subject to the access provisions of subdivision 10, paragraph (b).

Sec. 3. Minnesota Statutes 1990, section 13.46, subdivision 7, is amended to read:

Subd. 7. [MENTAL HEALTH CENTER DATA.] (a) Mental health data are private data on individuals and shall not be disclosed, except:

(1) pursuant to section 13.05, as determined by the responsible authority for the community mental health center, mental health division, or provider;

(2) pursuant to court order;

(3) pursuant to a statute specifically authorizing access to or disclosure of mental health data; ~~or~~

(4) pursuant to paragraph (b); or

(5) with the consent of the client or patient.

(b) At the request of a family member, the responsible authority of the community mental health center, mental health division, or provider shall ask a patient or client whether the patient or client wishes to authorize one or more family members to receive information about the patient or client's condition. If the patient or client consents, the responsible authority shall inform any authorized family member of the patient or client's condition.

(c) An agency of the welfare system may not require an individual to consent to the release of mental health data as a condition for receiving services or for reimbursing a community mental health center, mental health division of a county, or provider under contract to deliver mental health services.

Sec. 4. [13.99] [OTHER GOVERNMENT DATA PROVISIONS.]

Subdivision 1. [PROVISIONS CODED IN OTHER CHAPTERS.] The laws enumerated in this section are codified outside of chapter 13 and classify government data as other than public or place restrictions on access to government data.

Subd. 2. [DATA PROVIDED TO THE TAX STUDY COMMISSION.] The commissioner of revenue shall provide data to the tax study commission under section 3.861, subdivision 6.

Subd. 3. [LEGISLATIVE AUDIT DATA.] Data relating to an audit performed under section 3.97 are classified under section 3.97, subdivision 11.

Subd. 4. [ETHICAL PRACTICES BOARD INFORMATION.] Disclosure by the ethical practices board of information about a complaint or investigation is governed by section 10A.02, subdivision 11.

Subd. 5. [ETHICAL PRACTICES INVESTIGATION DATA.] The record of certain investigations conducted under chapter 10A is classified, and disposition of certain information is governed, by section 10A.02, subdivision 11a.

Subd. 6. [REGISTER OF OWNERSHIP OF BONDS OR CERTIFICATES.] Information in a register of ownership of state bonds or certificates is classified under section 16A.672, subdivision 11.

Subd. 7. [PESTICIDE DEALER RECORDS.] Records of pesticide dealers inspected or copied by the commissioner of agriculture are classified under section 18B.37, subdivision 5.

Subd. 8. [DAIRY REPORTS TO COMMISSIONER OF AGRICULTURE.] Disclosure of information in reports about dairy production required to be filed with the commissioner of agriculture under section 32.19 is governed by that section.

Subd. 9. [RURAL FINANCE AUTHORITY.] Certain data received or prepared by the rural finance authority are classified pursuant to section 41B.211.

Subd. 10. [COMMERCE DEPARTMENT DATA ON FINANCIAL INSTITUTIONS.] The disclosure by the commissioner of commerce of facts and information obtained in the course of examining financial institutions is governed by section 46.07, subdivision 2.

Subd. 11. [COMMUNITY REINVESTMENT RATING.] The contents and disclosure of the confidential section of the community reinvestment rating prepared by the commissioner of commerce are governed by section 47.84.

Subd. 12. [EXAMINATION OF INSURANCE COMPANIES.] Information obtained by the commissioner of commerce in the course of supervising or examining insurance companies is classified under section 60A.03, subdivision 9. An examination report of a domestic or foreign insurance company prepared by the commissioner is classified pursuant to section 60A.031, subdivision 4.

Subd. 13. [INSURANCE COMPANY INFORMATION.] Data received by the department of commerce under section 60A.93 are classified as provided by that section.

Subd. 14. [PROCEEDINGS AND RECORDS IN SUMMARY PROCEEDINGS AGAINST INSURERS.] Access to proceedings and records of summary proceedings by the commissioner of commerce against insurers and judicial review of such proceedings is governed by section 60B.14, subdivisions 1, 2, and 3.

Subd. 15. [INSURANCE GUARANTY ASSOCIATION.] The commissioner may share data with the board of the Minnesota Insurance Guaranty Association as provided by section 60C.14, subdivision 2.

Subd. 16. [VARIOUS INSURANCE DATA.] Disclosure of information obtained by the commissioner of commerce under section 60D.18, 60D.19, or 60D.20 is governed by section 60D.22.

Subd. 17. [HMO EXAMINATIONS.] Data obtained by the commissioner of health in the course of an examination of the affairs of a health maintenance organization are classified under section 62D.14, subdivisions 1 and 4.

Subd. 18. [AUTO THEFT DATA.] The sharing of data on auto thefts between law enforcement and prosecutors and insurers is governed by section 65B.81.

Subd. 19. [SELF-INSURERS' SECURITY FUND.] Disclosure of certain data received by the self-insurers' security is governed by section 79A.09, subdivision 4.

Subd. 20. [HAZARDOUS WASTE GENERATORS.] Data exchanged between the pollution control agency and the department of revenue under sections 115B.24, and 116.075, subdivision 2, are classified under section 115B.24, subdivision 5.

Subd. 21. [SOLID WASTE FACILITY RECORDS.] Records of solid waste facilities received, inspected, or copied by a county pursuant to section 115A.882 are classified pursuant to section 115A.882, subdivision 3.

Subd. 22. [HAZARDOUS WASTE GENERATORS.] Information provided by hazardous waste generators under section 473.151 and for which confidentiality is claimed is governed by section 116.075, subdivision 2.

Subd. 23. [RESTRICTIONS ON ACCESS TO ARCHIVES RECORDS.] Limitations on access to records transferred to the state archives are provided in section 138.17, subdivision 1c.

Subd. 24. [FOUNDLING REGISTRATION.] The report of the finding of an infant of unknown parentage is classified under section 144.216, subdivision 2.

Subd. 25. [NEW CERTIFICATE OF BIRTH.] In circumstances in which a new certificate of birth may be issued under section 144.218, the original certificate of birth is classified as provided in that section.

Subd. 26. [BIRTH CERTIFICATE OF CHILD OF UNMARRIED PARENTS.] Access to the birth certificate of a child whose parents were not married to each other when the child was conceived or born is governed by sections 144.225, subdivision 2, and 257.73.

Subd. 27. [HUMAN LEUKOCYTE ANTIGEN TYPE REGISTRY.] Data identifying a person and the person's human leukocyte antigen type which is maintained by a government entity are classified under section 144.336, subdivision 1.

Subd. 28. [CERTAIN HEALTH INSPECTIONS.] Disclosure of certain data received by the commissioner of health under sections 144.50 to 144.56 is governed by section 144.58.

Subd. 29. [HECB DATA.] Certain data on applicants for financial assistance from the higher education coordinating board is classified, and its release is governed by section 136A.162.

Subd. 30. [CANCER SURVEILLANCE SYSTEM.] Data on individuals collected by the cancer surveillance system are classified pursuant to section 144.69.

Subd. 31. [MEDICAL MALPRACTICE CLAIMS REPORTS.] Reports of medical malpractice claims submitted by an insurer to the commissioner of health under section 144.693 are classified as provided in section 144.693, subdivision 1.

Subd. 32. [HEALTH TEST RESULTS.] Health test results obtained under chapter 144 are classified under section 144.768.

Subd. 33. [TERMINATED PREGNANCIES.] Disclosure of reports of terminated pregnancies made to the commissioner of health is governed by section 145.413, subdivision 1.

Subd. 34. [REVIEW ORGANIZATION DATA.] Disclosure of data and information acquired by a review organization as defined in section 145.61, subdivision 5, is governed by section 145.64.

Subd. 35. [FAMILY PLANNING GRANTS.] Information gathered under section 145.925 is classified under section 145.925, subdivision 6.

Subd. 36. [PHYSICIAN INVESTIGATION RECORDS.] Patient medical records provided to the board of medical examiners under section 147.131 are classified under that section.

Subd. 37. [RECORD OF PHYSICIAN DISCIPLINARY ACTION.] The administrative record of any disciplinary action taken by the board of medical examiners under sections 147.01 to 147.34 is sealed upon judicial review as provided in section 147.151.

Subd. 38. [CHIROPRACTIC REVIEW RECORDS.] Data of the board of chiropractic examiners and the peer review committee are classified under section 148.106, subdivision 10.

Subd. 39. [DISCIPLINARY ACTION AGAINST NURSES.] Data obtained under section 148.261, subdivision 5, by the board of nursing are classified under that subdivision.

Subd. 40. [MEDICAL RECORDS OBTAINED BY BOARD OF NURSING.] Medical records of a patient cared for by a nurse who is under review by the board of nursing are classified under sections 148.191, subdivision 2, and 148.265.

Subd. 41. [RECORDS OF NURSE DISCIPLINARY ACTION.] The administrative records of any disciplinary action taken by the board of nursing under sections 148.171 to 148.285 are sealed upon judicial review as provided in section 148.266.

Subd. 42. [CLIENT RECORDS OBTAINED BY BOARDS ON MENTAL HEALTH AND SOCIAL WORK.] Client records obtained by a board conducting an investigation under chapter 148B are classified by section 148B.09.

Subd. 43. [RECORDS OF MENTAL HEALTH AND SOCIAL WORK DISCIPLINARY ACTION.] The administrative records of disciplinary action taken by a board under chapter 148B are sealed upon judicial review as provided in section 148B.10.

Subd. 44. [SOCIAL WORK AND MENTAL HEALTH BOARDS.] Certain data obtained by licensing boards under chapter 148B are classified under section 148B.175, subdivisions 2 and 5.

Subd. 45. [RECORDS OF UNLICENSED MENTAL HEALTH PRACTITIONER DISCIPLINARY ACTIONS.] The administrative records of disciplinary action taken by the commissioner of health pursuant to sections 148B.60 to 148B.71 are sealed upon judicial review as provided in section 148B.65.

Subd. 46. [BOARD OF DENTISTRY.] Data obtained by the board of dentistry under section 150A.08, subdivision 6, are classified as provided in that subdivision.



Subd. 47. [ACCIDENT REPORTS.] Release of accident reports provided to the department of public safety under section 169.09 is governed by section 169.09, subdivision 13.

Subd. 48. [NAMES OF REPORTERS TO LABOR AND INDUSTRY.] Disclosure of the names of certain persons supplying information to the department of labor and industry is prohibited by sections 175.24 and 175.27.

Subd. 49. [REPORT OF DEATH OR INJURY TO LABOR AND INDUSTRY.] Access to a report of worker injury or death during the course of employment filed by an employer under section 176.231 is governed by sections 176.231, subdivisions 8 and 9, and 176.234.

Subd. 50. [EMPLOYEE DRUG AND ALCOHOL TEST RESULTS.] Test results and other information acquired in the drug and alcohol testing process, with respect to public sector employees and applicants, are classified by section 181.954, subdivision 2, and access to them is governed by section 181.954, subdivision 3.

Subd. 51. [CERTAIN VETERANS BENEFITS.] Access to files pertaining to claims for certain veterans benefits is governed by section 196.08.

Subd. 52. [MENTAL HEALTH RECORDS.] Disclosure of the names and addresses of persons receiving mental health services is governed by section 245.467, subdivision 6.

Subd. 53. [CHILDREN RECEIVING MENTAL HEALTH SERVICES.] Disclosure of identities of children receiving mental health services under sections 245.487 to 245.4887, and the identities of their families, is governed by section 245.4876, subdivision 7.

Subd. 54. [STATE HOSPITAL PATIENTS.] Contents of, and access to, records of state hospital patients required to be kept by the commissioner of human services are governed by section 246.13.

Subd. 55. [STATE WARDS.] The filming of a state ward is restricted under section 252A.111, subdivision 6.

Subd. 56. [PREPETITION SCREENING.] Prepetition screening investigations for judicial commitments are classified as private under section 253B.07, subdivision 1, paragraph (b).

Subd. 57. [SUBJECT OF RESEARCH; RECIPIENTS OF ALCOHOL OR DRUG ABUSE TREATMENT.] Access to records of individuals who are the subject of research or who receive information, assessment, or treatment concerning alcohol or drug abuse is governed by section 254A.09.

Subd. 58. [RECORDS OF ARTIFICIAL INSEMINATION.] Access to records held by a court or other agency concerning artificial insemination performed on a married woman with her husband's consent is governed by section 257.56, subdivision 1.

Subd. 59. [PARENTAGE ACTION RECORDS.] Inspection of records in parentage actions held by the court, the commissioner of human services, or elsewhere is governed by section 257.70.

Subd. 60. [COMMISSIONER'S RECORDS OF ADOPTION.] Records of adoption held by the commissioner of human services are classified, and access to them is governed by section 259.46, subdivisions 1 and 3.

Subd. 61. [ADOPTEE'S ORIGINAL BIRTH CERTIFICATE.] Access to the original birth certificate of a person who has been adopted is governed by section 259.49.

Subd. 62. [PEACE OFFICERS AND CORRECTIONS RECORDS OF JUVENILES.] Inspection and maintenance of juvenile records held by peace officers and the commissioner of corrections are governed by section 260.161, subdivision 3.

Subd. 63. [JOBS AND TRAINING DATA.] Data gathered by the department of jobs and training in the administration of section 268.03 to 268.231 is classified by section 268.12, subdivision 12.

Subd. 64. [TRANSITIONAL HOUSING DATA.] Certain data collected, used, or maintained by the recipient of a grant to provide transitional housing are classified under section 268.38, subdivision 9.

Subd. 65. [VOCATIONAL REHABILITATION DATA.] Disclosure of data obtained by the commissioner of jobs and training regarding the vocational rehabilitation of a injured or disabled employee is governed by section 268A.05.

Subd. 66. [TAX DATA; CLASSIFICATION AND DISCLOSURE.] Classification and disclosure of tax data created, collected, or maintained by the department of revenue under chapters 290, 290A, 291, and 297A are governed by chapter 270B.

Subd. 67. [MOTOR VEHICLE REGISTRARS.] Disclosure of certain information obtained by motor vehicle registrars is governed by section 297B.12.

Subd. 68. [MARIJUANA AND CONTROLLED SUBSTANCE TAX INFORMATION.] Disclosure of information obtained under chapter 297D is governed by section 297D.13, subdivisions 1 to 3.

Subd. 69. [MINERAL RIGHTS FILINGS.] Data filed pursuant to section 298.48 with the commissioner of revenue by owners or lessees of mineral rights are classified under section 298.48, subdivision 4.

Subd. 70. [UNDERCOVER BUY FUND.] Records relating to applications for grants under section 299C.065 are classified under section 299C.065, subdivision 4.

Subd. 71. [HUMAN RIGHTS CONCILIATION EFFORTS.] Disclosure of information concerning efforts in a particular case to resolve a charge through education conference, conciliation, and persuasion is governed by section 363.06, subdivision 6.

Subd. 72. [HUMAN RIGHTS DEPARTMENT INVESTIGATIVE DATA.] Access to human rights department investigative data by persons other than department employees is governed by section 363.061.

Subd. 73. [RECORDS OF CLOSED COUNTY BOARD MEETINGS.] Records of Hennepin county board meetings permitted to be closed under section 383B.217, subdivision 7, are classified under that subdivision.

Subd. 74. [INQUEST DATA.] Certain data collected or created in the course of a coroner's or medical examiner's inquest are classified under sections 390.11, subdivision 7, and 390.32, subdivision 6.

Subd. 75. [RURAL DEVELOPMENT FINANCING AUTHORITY.] Treatment of preliminary information provided by the commissioner of trade and economic development to an authority contemplating the exercise of powers under sections 469.142 to 469.151 is governed by section 469.150.

Subd. 76. [MUNICIPAL SELF-INSURER CLAIMS.] Disclosure of information about individual claims filed by the employees of a municipality which is a self-insurer is governed by section 471.617, subdivision 5.

Subd. 77. [METROPOLITAN SOLID WASTE LANDFILL FEE.] Information obtained from the operator of a mixed municipal solid waste disposal facility under section 473.843 is classified under section 473.843, subdivision 4.

Subd. 78. [MUNICIPAL OBLIGATION REGISTER DATA.] Information contained in a register with respect to the ownership of certain municipal obligations is classified under section 475.55, subdivision 6.

Subd. 79. [CHILD CUSTODY PROCEEDINGS.] Court records of

child custody proceedings may be sealed as provided in section 518.168.

Subd. 80. [SOURCES OF PRESENTENCE INVESTIGATION REPORTS.] Disclosure of confidential sources in presentence investigation reports is governed by section 609.115, subdivision 4.

Subd. 81. [USE OF MOTOR VEHICLE TO PATRONIZE PROSTITUTES.] Use of a motor vehicle in the commission of an offense under section 609.324 is noted on the offender's driving record and the notation is classified pursuant to section 609.324, subdivision 5.

Subd. 82. [FINANCIAL DISCLOSURE FOR PUBLIC DEFENDER SERVICES.] Disclosure of financial information provided by a defendant seeking public defender services is governed by section 611.17.

Subd. 83. [CRIME VICTIM CLAIMS FOR REPARATIONS.] Claims and supporting documents filed by crime victims seeking reparations are classified under section 611A.57, subdivision 6.

Subd. 84. [REPORTS OF GUNSHOT WOUNDS.] Disclosure of the name of a person making a report under section 626.52, subdivision 2, is governed by section 626.53.

Subd. 85. [CHILD ABUSE REPORT RECORDS.] Data contained in child abuse report records are classified under section 626.556, subdivisions 11 and 11b.

Subd. 86. [VULNERABLE ADULT REPORT RECORDS.] Data contained in vulnerable adult report records are classified under section 626.557, subdivision 12.

Subd. 87. [PEACE OFFICER DISCIPLINE PROCEDURES.] Access by an officer under investigation to the investigating agency's investigative report on the officer is governed by section 626.89, subdivision 6.

Sec. 5. [13C.01] [ACCESS TO CONSUMER REPORTS PREPARED BY CONSUMER REPORTING AGENCIES.]

Subdivision 1. [FEE FOR REPORT.] Every consumer who is the subject of a credit report maintained by a credit reporting agency shall be entitled to request and receive by mail for a charge of \$8 a copy of that credit report once in any 12-month period. The mailing shall contain a statement of the consumer's right to dispute and correct any errors and of the procedures set forth in the federal Fair Credit Reporting Act, United States Code, title 15, sections 1681 et. seq., for that purpose. The credit reporting agency shall have 30 days to respond to a request under this subdivision.

A consumer who exercises the right to dispute and correct errors is entitled, after doing so, to request and receive by mail, without charge, a copy of the credit report in order to confirm that the credit report was corrected.

For purposes of this section, the terms "consumer," "credit report," and "credit reporting agency" have the meanings given them in the federal Fair Credit Reporting Act, United States Code, title 15, sections 1681 et. seq.

Subd. 2. [ENFORCEMENT.] This section shall be enforced by the attorney general pursuant to section 8.31.

Sec. 6. Minnesota Statutes 1991 Supplement, section 144.0525, is amended to read:

**144.0525 [DATA FROM LABOR AND INDUSTRY AND JOBS AND TRAINING; EPIDEMIOLOGIC STUDIES.]**

All data collected by the commissioner of health under sections 176.234 and, 268.12, and 270B.14, subdivision 11, shall be used only for the purposes of epidemiologic investigations, notification of persons exposed to health hazards as a result of employment, and surveillance of occupational health and safety.

Sec. 7. Minnesota Statutes 1991 Supplement, section 144.335, subdivision 1, is amended to read:

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

(a) "Patient" means a natural person who has received health care services from a provider for treatment or examination of a medical, psychiatric, or mental condition, the surviving spouse and parents of a deceased patient, or a person the patient designates in writing as a representative. Except for minors who have received health care services pursuant to sections 144.341 to 144.347, in the case of a minor, patient includes a parent or guardian, or a person acting as a parent or guardian in the absence of a parent or guardian.

(b) "Provider" means (1) any person who furnishes health care services and is licensed to furnish the services pursuant to chapter 147, 148, 148B, 150A, 151, or 153; (2) a home care provider licensed under section 144A.46; (3) a health care facility licensed pursuant to this chapter or chapter 144A; and (4) an unlicensed mental health practitioner regulated pursuant to sections 148B.60 to 148B.71.

(c) "Individually identifiable form" means a form in which the patient is or can be identified as the subject of the health records.

Sec. 8. Minnesota Statutes 1991 Supplement, section 144.335, subdivision 3a, is amended to read:

Subd. 3a. [PATIENT CONSENT TO RELEASE OF RECORDS; LIABILITY.] (a) A provider, or a person who receives health records from a provider, may not release a patient's health records to a person without a signed and dated consent from the patient or the patient's legally authorized representative authorizing the release, unless the release is specifically authorized by law. Except as provided in paragraph (c), a consent is valid for one year or for a lesser period specified in the consent or for a different period provided by law.

(b) This subdivision does not prohibit the release of health records for a medical emergency when the provider is unable to obtain the patient's consent due to the patient's condition or the nature of the medical emergency.

(c) Notwithstanding paragraph (a), where a patient explicitly gives informed consent to the release of health records for the purposes and pursuant to the restrictions in clauses (1), (2), and (3), the consent does not expire after one year for:

(1) the release of health records to a provider who is being advised or consulted with in connection with the current treatment of the patient;

(2) the release of health records to an accident and health insurer, health service plan corporation, health maintenance organization, or third-party administrator for purposes of payment of claims, fraud investigation, or quality of care review and studies, provided that:

(i) further use or release of the records in individually identifiable form to a person other than the patient without the patient's consent is prohibited; and

(ii) the recipient establishes adequate safeguards to protect the records from unauthorized disclosure, including a procedure for removal or destruction of information that identifies the patient; and

(3) the release of health records to qualified personnel solely for purposes of medical or scientific research, provided that the provider who releases the records obtains the written commitment from qualified personnel that:

(i) the use or disclosure does not violate any limitations under which the record was collected and the patient has not objected to a release for research purposes;

(ii) the use or disclosure in individually identifiable form is necessary to accomplish the research or statistical purpose for which the use or disclosure is to be made;

(iii) the recipient establish and maintain adequate safeguards to protect the records from unauthorized disclosure, including a procedure for removal or destruction of information that identifies the patient; and

(iv) further use or release of the records in individually identifiable form to a person other than the patient without the patient's consent is prohibited.

(d) A person who negligently or intentionally releases a health record in violation of this subdivision, or who forges a signature on a consent form, or who obtains under false pretenses the consent form or health records of another person, or who, without the person's consent, alters a consent form, is liable to the patient for compensatory damages caused by an unauthorized release, plus costs and reasonable attorney's fees.

~~(d) A patient's consent to the release of data on the date and type of immunizations administered to the patient is effective until the patient directs otherwise, if the consent was executed before August 1, 1991.~~

Sec. 9. Minnesota Statutes 1990, section 144.335, is amended by adding a subdivision to read:

Subd. 5. [COSTS.] When a provider makes copies of patient records upon a patient's request under this section, the provider may charge the patient no more than 75 cents per page, plus \$10 for time spent retrieving and copying the records. This limitation does not apply to X-rays. The provider may charge a patient no more than the actual cost of reproducing X-rays, plus no more than \$10 for the time spent retrieving and copying the X-rays.

The respective maximum charges of 75 cents per page and \$10 for time provided in this subdivision are in effect for calendar year 1992 and may be adjusted annually each calendar year as provided in this subdivision. The permissible maximum charges shall change each year by an amount that reflects the change, as compared to the previous year, in the consumer price index for all urban consumers, Minneapolis-St. Paul (CPI-U), published by the department of labor.

Sec. 10. Minnesota Statutes 1990, section 144.335, is amended by adding a subdivision to read:

Subd. 6. [VIOLATION.] A violation of this section is grounds for

disciplinary action against a provider by the appropriate licensing board or agency.

Sec. 11. [144.3351] [IMMUNIZATION DATA.]

Providers as defined in section 144.335, subdivision 1, elementary or secondary schools or child care facilities as defined in section 123.70, subdivision 9, public or private post-secondary educational institutions as defined in section 135A.14, subdivision 1, paragraph (b), a board of health as defined in section 145A.02, subdivision 2, community action agencies as defined in section 268.53, subdivision 1, and the commissioner of health may exchange data with one another on the date and type of immunizations administered to a patient, regardless of the date of immunization, without the patient's consent, if the person requesting access provides services on behalf of the patient.

Sec. 12. Minnesota Statutes 1990, section 147.161, subdivision 3, is amended to read:

Subd. 3. [ACCESS TO HOSPITAL RECORDS.] The board shall have access to hospital and medical records of a patient treated by the physician under review if the patient signs a written consent permitting such access. If no consent form has been signed, the hospital or physician shall first delete data in the record which identifies the patient before providing it to by the board. The hospital shall respond fully and promptly to any question raised by or on behalf of the board relating to the subject of the investigation and shall provide complete copies of patient medical records, as reasonably requested by the board, to assist the board in its investigation. The board shall pay for copies requested. The board shall maintain any records obtained pursuant to this section as investigative data pursuant to section 13.39.

Sec. 13. Minnesota Statutes 1990, section 152.18, subdivision 1, is amended to read:

Subdivision 1. If any person is found guilty of a violation of section 152.024, 152.025, or 152.027 for possession of a controlled substance, after trial or upon a plea of guilty, the court may, without entering a judgment of guilty and with the consent of such the person, defer further proceedings and place the person on probation upon such reasonable conditions as it may require and for a period, not to exceed the maximum term of imprisonment provided for such the violation. The court may give the person the opportunity to attend and participate in an appropriate program of education regarding the nature and effects of alcohol and drug abuse as a stipulation of probation. Upon violation of a condition of the probation, the court may enter an adjudication of guilt and proceed as otherwise provided. The court may, in its discretion, dismiss the proceedings against such the person and discharge the person from probation



before the expiration of the maximum period prescribed for such the person's probation. If during the period of probation such the person does not violate any of the conditions of the probation, then upon expiration of such the period the court shall discharge such the person and dismiss the proceedings against that person. Discharge and dismissal ~~hereunder~~ under this subdivision shall be without court adjudication of guilt, but a nonpublic record thereof of it shall be retained by the department of public safety ~~solely~~ for the purpose of use by the courts in determining the merits of subsequent proceedings against such the person. The nonpublic record may also be opened only upon court order for purposes of a criminal investigation, prosecution, or sentencing. Upon request by law enforcement, prosecution, or corrections authorities, the department shall notify the requesting party of the existence of the nonpublic record and the right to seek a court order to open it pursuant to this section. The court shall forward a record of any discharge and dismissal ~~hereunder~~ under this subdivision to the department of public safety who shall make and maintain the nonpublic record ~~thereof~~ of it as ~~hereinbefore~~ provided under this subdivision. Such ~~The~~ discharge or dismissal shall not be deemed a conviction for purposes of disqualifications or disabilities imposed by law upon conviction of a crime or for any other purpose.

Sec. 14. Minnesota Statutes 1990, section 242.31, is amended to read:

#### 242.31 [RESTORATION OF CIVIL RIGHTS.]

Subdivision 1. Whenever a person who has been committed to the custody of the commissioner of corrections upon conviction of a crime following reference for prosecution under the provisions of section 260.125 is finally discharged by order of the commissioner, that discharge shall restore the person to all civil rights and, if so ordered by the commissioner of corrections, also shall have the effect of setting aside the conviction, nullifying ~~the same~~ it and of purging ~~that~~ the person thereof of it. The commissioner shall file a copy of the order with the district court of the county in which the conviction occurred; upon receipt, the court shall order the conviction set aside.

Subd. 2. Whenever a person described in subdivision 1 has been placed on probation by the court pursuant to section 609.135 and, after satisfactory fulfillment ~~thereof~~ of it, is discharged from probation, the court shall issue an order of discharge pursuant to section 609.165. On application of the defendant or on its own motion and after notice to the county attorney, the court in its discretion may also order that the defendant's conviction be set aside with the same effect as ~~such~~ an a court order under subdivision 1.

These orders restore the defendant to civil rights and purge and free the defendant from all penalties and disabilities arising from the defendant's conviction and ~~it~~ the conviction shall not thereafter

be used against the defendant, except in a criminal prosecution for a subsequent offense if otherwise admissible therein. In addition, the record of the defendant's conviction shall be sealed and may be opened only upon court order for purposes of a criminal investigation, prosecution, or sentencing. Upon request by law enforcement, prosecution, or corrections authorities, the court or the department of public safety shall notify the requesting party of the existence of the sealed record and the right to seek a court order to open it pursuant to this section.

Subd. 3. The commissioner of corrections shall file a copy of the order with the district court of the county in which the conviction occurred; upon receipt, the court shall order the conviction set aside and all records pertinent to the conviction sealed. These records shall only be reopened in the case of a judicial criminal proceeding instituted at a later date or upon court order, for purposes of a criminal investigation, prosecution, or sentencing, in the manner provided in subdivision 2.

The term "records" includes, but is not limited to, all matters, files, documents and papers incident to the arrest, indictment, information, complaint, trial, appeal, dismissal and discharge, which relate to the conviction for which the order was issued.

Sec. 15. Minnesota Statutes 1990, section 270B.14, is amended by adding a subdivision 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.

Sec. 16. Minnesota Statutes 1990, section 299C.11, is amended to read:

299C.11 [PRINTS, FURNISHED TO BUREAU BY SHERIFFS AND CHIEFS OF POLICE.]

The sheriff of each county and the chief of police of each city of the

first, second, and third classes shall furnish the bureau, upon such form as the superintendent shall prescribe, with such finger and thumb prints, photographs, and other identification data as may be requested or required by the superintendent of the bureau, which may be taken under the provisions of section 299C.10, of persons who shall be convicted of a felony, gross misdemeanor, or who shall be found to have been convicted of a felony or gross misdemeanor, within ten years next preceding their arrest. Upon the determination of all pending criminal actions or proceedings in favor of the arrested person, the arrested person shall, upon demand, have all such finger and thumb prints, photographs, and other identification data, and all copies and duplicates thereof, returned, provided it is not established that the arrested person has been convicted of any felony, either within or without the state, within the period of ten years immediately preceding such determination.

For purposes of this section, "determination of all pending criminal actions or proceedings in favor of the arrested person" does not include the sealing of a criminal record pursuant to sections 152.18, subdivision 1, 242.31, or 609.168.

Sec. 17. Minnesota Statutes 1990, section 299C.13, is amended to read:

**299C.13 [INFORMATION AS TO CRIMINALS TO BE FURNISHED BY BUREAU TO PEACE OFFICERS.]**

Upon receipt of information data as to any arrested person, the bureau shall immediately ascertain whether the person arrested has a criminal record or is a fugitive from justice, and shall at once inform the arresting officer of the facts ascertained. Upon application by any sheriff, chief of police, or other peace officer in the state, or by an officer of the United States or by an officer of another state, territory, or government duly authorized to receive the same and effecting reciprocal interchange of similar information with the division, it shall be the duty of the bureau to furnish all information in its possession pertaining to the identification of any person. If the bureau has a sealed record on the arrested person, it shall notify the requesting peace officer of that fact and of the right to seek a court order to open the record for purposes of law enforcement.

Sec. 18. [299C.60] [CITATION.]

Sections 18 to 23 may be cited as the "Minnesota child protection background check act."

Sec. 19. [299C.61] [DEFINITIONS.]

Subdivision 1. [TERMS.] The definitions in this section apply to sections 18 to 23.

Subd. 2. [BACKGROUND CHECK CRIME.] “Background check crime” includes child abuse crimes, murder, manslaughter, felony level assault or any assault crime committed against a minor, kidnapping, criminal sexual conduct, and prostitution-related crimes.

Subd. 3. [BUREAU.] “Bureau” means the bureau of criminal apprehension.

Subd. 4. [CHILD.] “Child” means an individual under the age of 18.

Subd. 5. [CHILD ABUSE CRIME.] “Child abuse crime” means:

(1) a violation of sections 152.021, subdivision 1, clause (4); 152.022, subdivision 1, clauses (5) and (6); 152.023, subdivision 1, clauses (3) and (4), or 2, clauses (5) and (7); or 152.024, subdivision 1, clause (2), (3), or (4); or

(2) an act committed against a minor victim that constitutes a violation of section 609.185, clause (5); 609.221; 609.222; 609.223; 609.224; 609.322; 609.323; 609.324; 609.342; 609.343; 609.344; 609.345; 609.352; 609.377; or 609.378.

Subd. 6. [CHILD CARE.] “Child care” means the provision of care, treatment, education, training, instruction, or recreation to children.

Subd. 7. [CJIS.] “CJIS” means the Minnesota criminal justice information system.

Subd. 8. [PROVIDER.] “Provider” means a person who has, may have, or seeks to have access to a child to whom the qualified entity provides child care, and who:

(1) is employed by, volunteers with, or seeks to be employed by or volunteer with a qualified entity; or

(2) owns, operates, or seeks to own or operate a qualified entity.

Subd. 9. [QUALIFIED ENTITY.] “Qualified entity” means a business or organization, whether public, private, for profit, non-profit, or voluntary, that provides child care, including a business or organization that licenses or certifies others to provide child care.

Sec. 20. [299C.62] [BACKGROUND CHECKS.]

Subdivision 1. [GENERALLY.] The bureau shall develop procedures to enable a qualified entity to request a background check to determine whether a provider is the subject of any reported convic-

tion for a background check crime. Any fee for a background check must be paid by the qualified entity requesting it. The bureau shall perform the background check by retrieving and reviewing data on background check crimes maintained in the CJIS computer. The bureau is authorized to exchange fingerprints with the Federal Bureau of Investigation for the purpose of conducting criminal background checks at the national level.

Subd. 2. [BACKGROUND CHECKS; REQUIREMENTS.] The bureau may not perform a background check under this section unless the qualified entity submits a written document, signed by the provider on whom the background check is to be performed, containing the following:

(1) a question asking whether the provider has ever been convicted of a background check crime and if so, requiring a description of the crime and the particulars of the conviction;

(2) a notification to the provider that the qualified entity will request the bureau to perform a background check under this section; and

(3) a notification to the provider of the provider's rights under subdivision 3.

Background checks performed under this section may only be requested by and provided to authorized representatives of a qualified entity who have a need to know the information and may be used only for the purposes of sections 18 to 23.

Subd. 3. [PROVIDER RIGHTS.] A provider who is the subject of a background check request has the following rights:

(1) the right to be informed that a qualified entity will request a background check on the provider:

(i) for purposes of the provider's application to be employed by, volunteer with, or be an owner of a qualified entity or for purposes of continuing as an employee, volunteer, or owner; and

(ii) to determine whether the provider has been convicted of any crime specified in section 19, subdivision 2 or 5;

(2) the right to be orally informed by the qualified entity of the bureau's response to the background check and to obtain from the qualified entity a copy of the background check report;

(3) the right to obtain from the bureau any record that forms the basis for the report, at the standard fee for obtaining records from the bureau;

(4) the right to challenge the accuracy and completeness of any information contained in the report or record pursuant to section 13.04, subdivision 4; and

(5) the right to be informed by the qualified entity if the provider's application to be employed with, volunteer with, or be an owner of a qualified entity, or to continue as an employee, volunteer, or owner, has been denied because of the bureau's response.

Subd. 4. [RESPONSE OF BUREAU.] The bureau shall respond to a background check request within a reasonable time after receiving the signed, written document described in subdivision 2. The bureau's response shall be limited to a statement that the document is or is not complete and accurate.

Subd. 5. [ADVERSE ACTION BY AN ENTITY.] No qualified entity may take action adverse to a provider on the basis of a background check under this section until the provider has obtained a determination of the validity of any challenge made under subdivision 3 or has waived the right to make a challenge.

Subd. 6. [ADMISSIBILITY OF EVIDENCE.] Evidence or proof that a background check of a volunteer under sections 18 to 23 was not requested by a qualified entity is not admissible in evidence in any litigation against a nonprofit or charitable organization involving personal injuries.

Sec. 21. [299C.63] [EXCEPTION; OTHER LAWS.]

The bureau is not required to respond to a background check request concerning a provider who, as a condition of occupational licensure or employment, is subject to the background study requirements imposed by any statute or rule other than sections 18 to 23. A background check performed on a licensee, license applicant, or employment applicant under this section does not satisfy the requirements of any statute or rule, other than sections 18 to 23, that provide for background study of members of an individual's particular occupation.

Sec. 22. [299C.64] [BCA IMMUNITY.]

The bureau is immune from any civil or criminal liability that might otherwise arise under sections 18 to 23, based on the accuracy or completeness of its records or any records it receives from the Federal Bureau of Investigation.

Sec. 23. [299C.65] [RULEMAKING AUTHORIZED.]

The bureau may adopt rules and procedures necessary to implement sections 18 to 23.

Sec. 24. [357.315] [COST OF EXHIBITS AND MEDICAL RECORDS.]

The cost of exhibits or of obtaining medical records used to prepare a claim shall be allowed in the taxation of costs.

Sec. 25. Minnesota Statutes 1990, section 363.03, subdivision 1, is amended to read:

Subdivision 1. [EMPLOYMENT.] Except when based on a bona fide occupational qualification, it is an unfair employment practice:

(1) For a labor organization, because of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, or age,

(a) to deny full and equal membership rights to a person seeking membership or to a member;

(b) to expel a member from membership;

(c) to discriminate against a person seeking membership or a member with respect to hiring, apprenticeship, tenure, compensation, terms, upgrading, conditions, facilities, or privileges of employment; or

(d) to fail to classify properly, or refer for employment or otherwise to discriminate against a person or member.

(2) For an employer, because of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, membership or activity in a local commission, disability, or age,

(a) to refuse to hire or to maintain a system of employment which unreasonably excludes a person seeking employment; or

(b) to discharge an employee; or

(c) to discriminate against a person with respect to hiring, tenure, compensation, terms, upgrading, conditions, facilities, or privileges of employment.

(3) For an employment agency, because of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, or age,

(a) to refuse or fail to accept, register, classify properly, or refer for employment or otherwise to discriminate against a person; or

(b) to comply with a request from an employer for referral of applicants for employment if the request indicates directly or indirectly that the employer fails to comply with the provisions of this chapter.

(4) For an employer, employment agency, or labor organization, before a person is employed by an employer or admitted to membership in a labor organization, to

(a) require or request the person to furnish information that pertains to race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, or age; or, subject to section 363.02, subdivision 1, to require or request a person to undergo physical examination; unless for the sole and exclusive purpose of national security, information pertaining to national origin is required by the United States, this state or a political subdivision or agency of the United States or this state, or for the sole and exclusive purpose of compliance with the public contracts act or any rule, regulation, or laws of the United States or of this state requiring the information or examination. A law enforcement agency may, after notifying an applicant for a peace officer or part-time peace officer position that the law enforcement agency is commencing the background investigation on the applicant, request the applicant's date of birth, gender, and race on a separate form for the sole and exclusive purpose of conducting a criminal history check, a driver's license check, and fingerprint criminal history inquiry. The form shall include a statement indicating why the data is being collected and what its limited use will be. No document which has date of birth, gender, or race information will be included in the information given to or available to any person who is involved in selecting the person or persons employed other than the background investigator. No person may act both as background investigator and be involved in the selection of an employee except that the background investigator's report about background may be used in that selection as long as no direct or indirect references are made to the applicant's race, age, or gender; or

(b) seek and obtain for purposes of making a job decision, information from any source that pertains to the person's race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, or age, unless for the sole and exclusive purpose of compliance with the public contracts act or any rule, regulation, or laws of the United States or of this state requiring the information; or

(c) cause to be printed or published a notice or advertisement that relates to employment or membership and discloses a preference, limitation, specification, or discrimination based on race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, or age.



Any individual who is required to provide information that is prohibited by this subdivision is an aggrieved party under section 363.06.

(5) For an employer, an employment agency, or a labor organization, with respect to all employment related purposes, including receipt of benefits under fringe benefit programs, not to treat women affected by pregnancy, childbirth, or disabilities related to pregnancy or childbirth, the same as other persons who are not so affected but who are similar in their ability or inability to work, including a duty to make reasonable accommodations as provided by paragraph (6).

(6) For an employer with 50 or more permanent, full-time employees, an employment agency, or a labor organization, not to make reasonable accommodation to the known disability of a qualified disabled person or job applicant unless the employer, agency, or organization can demonstrate that the accommodation would impose an undue hardship on the business, agency, or organization. "Reasonable accommodation" means steps which must be taken to accommodate the known physical or mental limitations of a qualified disabled person. "Reasonable accommodation" may include but is not limited to, nor does it necessarily require: (a) making facilities readily accessible to and usable by disabled persons; and (b) job restructuring, modified work schedules, acquisition or modification of equipment or devices, and the provision of aides on a temporary or periodic basis.

In determining whether an accommodation would impose an undue hardship on the operation of a business or organization, factors to be considered include:

(a) the overall size of the business or organization with respect to number of employees or members and the number and type of facilities;

(b) the type of the operation, including the composition and structure of the work force, and the number of employees at the location where the employment would occur;

(c) the nature and cost of the needed accommodation;

(d) the reasonable ability to finance the accommodation at each site of business; and

(e) documented good faith efforts to explore less restrictive or less expensive alternatives, including consultation with the disabled person or with knowledgeable disabled persons or organizations.

A prospective employer need not pay for an accommodation for a

job applicant if it is available from an alternative source without cost to the employer or applicant.

(7) For an employer to refuse to hire a person or discharge or otherwise disqualify a person from employment on the basis of the person's prior criminal conviction, if the person has since been granted a pardon or a pardon extraordinary for that conviction by the board of pardons, unless the conviction directly relates to the employment position. In determining whether a crime directly relates to the employment position, the employer may consider:

(a) the nature and seriousness of the crime for which the person was convicted and pardoned; and

(b) the relationship of the crime to the ability, capacity, and fitness required to perform the duties and discharge the responsibilities of the employment position.

Sec. 26. Minnesota Statutes 1990, section 388.23, subdivision 1, is amended to read:

Subdivision 1. [AUTHORITY.] The county attorney, or any deputy or assistant county attorney whom the county attorney authorizes in writing, has the authority in that county to subpoena and require the production of any records of telephone companies, cellular phone companies, paging companies, electric companies, gas companies, water utilities, chemical suppliers, hotels and motels, airlines, buses, taxis, and other entities engaged in the business of transporting people, and freight companies, warehousing companies, package delivery companies, and other entities engaged in the businesses of transport, storage, or delivery, and records of the existence of safe deposit box account numbers and customer savings and checking account numbers maintained by financial institutions and safe deposit companies. Subpoenas may only be issued for records that are relevant to an ongoing legitimate law enforcement investigation.

Sec. 27. Minnesota Statutes 1990, section 609.168, is amended to read:

#### 609.168 [EFFECT OF ORDER.]

Except as otherwise provided in this section, where an order is entered by the court setting aside the conviction the person shall be deemed not to have been previously convicted. An order setting aside a conviction for a crime of violence, as defined in section 624.712, subdivision 5, must provide that the person is not entitled to ship, transport, possess, or receive a firearm until ten years have elapsed since the order was entered and during that time the person was not convicted of any other crime of violence. Any person who has received an order setting aside a conviction and who thereafter has

received a relief of disability under United States Code, title 18, section 925, shall not be subject to the restrictions of this subdivision.

The record of a conviction set aside under this section shall not be destroyed, but shall be sealed and may be opened only upon court order for purposes of a criminal investigation, prosecution, or sentencing.

Sec. 28. Minnesota Statutes 1991 Supplement, section 609.535, subdivision 6, is amended to read:

Subd. 6. [RELEASE OF ACCOUNT INFORMATION TO LAW ENFORCEMENT AUTHORITIES.] A drawee shall release the information specified below to any state, county, or local law enforcement or prosecuting authority which certifies in writing that it is investigating or prosecuting a complaint against the drawer under this section or section 609.52, subdivision 2, clause (3)(a), and that 15 days have elapsed since the mailing of the notice of dishonor required by subdivisions 3 and 8. This subdivision applies to the following information relating to the drawer's account:

(1) Documents relating to the opening of the account by the drawer and to the closing of the account;

(2) Notices regarding nonsufficient funds, overdrafts, and the dishonor of any check drawn on the account within a period of six months of the date of request;

(3) Periodic statements mailed to the drawer by the drawee for the periods immediately prior to, during, and subsequent to the issuance of any check which is the subject of the investigation or prosecution; or

(4) The last known home and business addresses and telephone numbers of the drawer.

The drawee shall release all of the information described in clauses (1) to (4) that it possesses within ten days after receipt of a request conforming to all of the provisions of this subdivision. The drawee may not impose a fee for furnishing this information to law enforcement or prosecuting authorities.

A drawee is not liable in a criminal or civil proceeding for releasing information in accordance with this subdivision.

Sec. 29. Minnesota Statutes 1990, section 626.14, is amended to read:

626.14 [TIME OF SERVICE.]

A search warrant may be served only in the daytime between the hours of 7:00 a.m. and 10:00 p.m. unless the court determines on the basis of facts stated in the affidavits that a nighttime search outside those hours is necessary to prevent the loss, destruction, or removal of the objects of the search or to protect the searchers or the public. The search warrant shall state that it may be served only in the daytime between the hours of 7:00 a.m. and 10:00 p.m. unless a nighttime search outside those hours is authorized.

Sec. 30. Minnesota Statutes 1990, section 638.02, subdivision 2, is amended to read:

Subd. 2. Any person, convicted of a crime in any court of this state, who has served the sentence imposed by the court and has been discharged of the sentence either by order of court or by operation of law, may petition the board of pardons for the granting of a pardon extraordinary. Unless the board of pardons expressly provides otherwise in writing by unanimous vote, the application for a pardon extraordinary may not be filed until the applicable time period in clause (1) or (2) has elapsed:

(1) if the person was convicted of a crime of violence as defined in section 624.712, subdivision 5, ten years must have elapsed since the sentence was discharged and during that time the person must not have been convicted of any other crime; and

(2) if the person was convicted of any crime not included within the definition of crime of violence as specified in clause (1), five years must have elapsed since the sentence was discharged and during that time the person must not have been convicted of any other crime.

If the board of pardons ~~shall determine~~ determines that ~~such the~~ such the person has been convicted of ~~no criminal acts other than the act upon which such conviction was founded~~ and is of good character and reputation, the board may, in its discretion, grant ~~to such the~~ the person a pardon extraordinary. ~~Such~~ The pardon extraordinary, when granted, ~~shall have~~ has the effect of ~~restoring such person to all civil rights, and shall have the effect of setting aside and nullifying the conviction and nullifying the same and of purging such the person thereof of it, and such the person shall never thereafter after that be~~ required to disclose the conviction at any time or place ~~other than in a judicial proceeding thereafter instituted.~~

The application for ~~such a~~ a pardon extraordinary ~~and, the proceedings thereunder to review an application, and the notice thereof shall be~~ requirements are governed by the statutes and the rules of the board in respect to other proceedings before the board ~~and. The application shall contain such any further information as that the board may require.~~

Unless the board of pardons expressly provides otherwise in writing by unanimous vote, if the person was convicted of a crime of violence, as defined in section 624.712, subdivision 5, the pardon extraordinary must expressly provide that the pardon does not entitle the person to ship, transport, possess, or receive a firearm until ten years have elapsed since the sentence was discharged and during that time the person was not convicted of any other crime of violence.

Sec. 31. Minnesota Statutes 1991 Supplement, section 638.02, subdivision 3, is amended to read:

Subd. 3. Upon granting a pardon extraordinary the board of pardons shall file a copy ~~thereof~~ of it with the district court of the county in which the conviction occurred, and the court shall order the conviction set aside and include a copy of the pardon in the court file. The court shall send a copy of its order and the pardon to the bureau of criminal apprehension.

Sec. 32. Minnesota Statutes 1990, section 638.02, subdivision 4, is amended to read:

Subd. 4. Any person granted a pardon extraordinary by the board of pardons prior to April 12, 1974 may apply to the district court of the county in which the conviction occurred for an order setting aside the conviction ~~and sealing all such records as set forth in subdivision 3.~~

Sec. 33. Minnesota Statutes 1991 Supplement, section 638.04, is amended to read:

#### 638.04 [MEETINGS.]

The board of pardons shall hold meetings at least twice each year and shall hold a meeting whenever it takes formal action on an application for a relief from the pardon board or commutation of sentence. All board meetings shall be open to the public as provided in section 471.705, except that the board may conduct its deliberations on an application for relief from the pardon board or commutation of sentence in private.

The victim of an applicant's crime has a right to submit an oral or written statement at the meeting. The statement may summarize the harm suffered by the victim as a result of the crime and give the victim's recommendation on whether the application for a relief from the pardon board or commutation should be granted or denied. In addition, any law enforcement agency may submit an oral or written statement at the meeting, giving its recommendation on whether the application should be granted or denied. The board

must consider the victim's and the law enforcement agency's statement when making its decision on the application.

Sec. 34. Minnesota Statutes 1991 Supplement, section 638.05, is amended to read:

638.05 [APPLICATION FOR PARDON.]

Every application for a pardon or commutation of sentence shall be in writing, addressed to the board of pardons, signed under oath by the convict or someone in the convict's behalf, shall state concisely the grounds upon which the pardon or commutation is sought, and in addition shall contain the following facts:

(1) The name under which the convict was indicted, and every alias by which the convict is or was known;

(2) The date and terms of sentence, and the names of the offense for which it was imposed;

(3) The name of the trial judge and the county attorney who participated in the trial of the convict, together with that of the county of trial;

(4) A succinct statement of the evidence adduced at the trial, with the endorsement of the judge or county attorney who tried the case that the ~~same~~ statement is substantially correct; ~~If such this~~ statement and endorsement are not furnished, the reason thereof for failing to furnish them shall be stated;

(5) The age, birthplace, and occupation and residence of the convict during five years immediately preceding conviction;

(6) A statement of other arrests, indictments, and convictions, if any, of the convict.

Every application for a relief from the pardon board or commutation of sentence shall contain a statement by the applicant consenting to the disclosure to the board of any private data concerning the applicant contained in the application or in any other record relating to the grounds on which the pardon or commutation is sought. In addition, if the applicant resided in another state after the sentence was discharged, the application for relief from the pardon board or commutation of sentence shall contain a statement by the applicant consenting to the disclosure to the board of any private data concerning the applicant that was collected or maintained by the foreign state relating to the grounds on which the pardon or commutation of sentence is sought, including disclosure of criminal arrest and conviction records.

Sec. 35. Minnesota Statutes 1991 Supplement, section 638.06, is amended to read:

638.06 [ACTION ON APPLICATION.]

Every ~~such~~ application for relief from the pardon board or commutation of sentence shall be filed with the ~~clerk of~~ secretary to the board of pardons not less than 60 days before the meeting of the board at which consideration of the application is desired. If an application for a relief from the pardon board or commutation has been once heard and denied on the merits, no subsequent application shall be filed without the consent of two members of the board endorsed ~~thereon~~ on the application. The clerk shall, immediately on receipt of any application, the secretary to the board shall mail notice thereof of the application, and of the time and place of hearing ~~thereon~~ on it, to the judge of the court ~~wherein~~ where the applicant was tried and sentenced, and to the prosecuting attorney who prosecuted the applicant, or a successor in office. Additionally, the secretary to the board shall publish notice of an application for a pardon extraordinary in the local newspaper of the county where the crime occurred. The clerk shall also make all reasonable efforts to locate any victim of the applicant's crime. The ~~clerk~~ secretary to the board shall mail notice of the application and the time and place of the hearing to any victim who is located. This notice shall specifically inform the victim of the victim's right to be present at the hearing and to submit an oral or written statement to the board as provided in section 638.04.

Sec. 36. [638.075] [ANNUAL REPORTS TO LEGISLATURE.]

By February 15 of every even-numbered year, the board of pardons shall file a written report with the legislature containing the following information:

(1) the number of applications received by the board during the preceding two calendar years for pardons, pardons extraordinary, and commutations of sentence;

(2) the number of applications granted by the board for each category; and

(3) the crimes for which the applications were granted by the board.

Sec. 37. [SUPREME COURT; UNIFORM ORDER TO SET ASIDE CONVICTION.]

The supreme court shall, by rule, develop a standardized form to be used by district courts in entering orders to set aside a conviction under Minnesota Statutes, section 638.02, subdivision 3.

Sec. 38. [LEGISLATIVE STUDY; EXPUNGEMENT OF CRIMINAL RECORDS.]

The house and senate judiciary committees may undertake a study of the current statutory and judicial procedures under which a convicted offender's criminal record may be ordered sealed or expunged. In particular, the judiciary committees may determine whether these procedures are fairly available to all offenders, without regard to the offender's minority or economic status. The judiciary committees may consider developing any legislation that is necessary to ensure fair and consistent access to and implementation of these procedures.

Sec. 39. [PARDON BOARD; REVIEW OF STAFFING AND WORKLOAD.]

Subdivision 1. [REVIEW OF STAFFING NEEDS.] No later than one year after the effective date of sections 30 to 38, the board of pardons may assess whether it has adequate staff to perform the duties imposed on the board by Minnesota Statutes, chapter 638.

Subd. 2. [REVIEW OF ADMINISTRATIVE WORKLOAD.] No later than two years after the effective date of sections 30 to 38, the board of pardons may assess whether it has adequate resources to perform its administrative duties under Minnesota Statutes, chapter 638.

Sec. 40. [EFFECTIVE DATE.]

Section 5 is effective June 1, 1992."

Delete the title and insert:

"A bill for an act relating to data practices; classifying government data; providing for access to and charges for patient's medical records; providing for the treatment of records of certain criminal convictions; altering the procedures of the pardon board and treatment of its records; providing criminal background checks of professional and volunteer child care providers; providing for subpoena powers of county attorneys; changing the time when an arrest warrant may be served; amending Minnesota Statutes 1990, sections 13.08, subdivision 1; 13.46, subdivision 7; 144.335, by adding subdivisions; 147.161, subdivision 3; 152.18, subdivision 1; 242.31; 270B.14, by adding a subdivision; 299C.11; 299C.13; 363.03, subdivision 1; 388.23, subdivision 1; 609.168; 626.14; and 638.02, subdivisions 2 and 4; Minnesota Statutes 1991 Supplement, sections 13.46, subdivision 2; 144.0525; 144.335, subdivisions 1 and 3a; 609.535, subdivision 6; 638.02, subdivision 3; 638.04; 638.05; and 638.06; proposing coding for new law in Minnesota Statutes, chap-



ters 13; 144; 299C; 357; and 638; proposing coding for new law as Minnesota Statutes, chapter 13C.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 2191, A bill for an act relating to metropolitan government; authorizing the acquisition and betterment of transit facilities and equipment and providing financing for their cost; amending Minnesota Statutes 1990, section 473.39.

Reported the same back with the following amendments:

Page 3, line 8, delete “\$110,000,000” and insert “\$116,500,000”

Page 3, line 10, delete “\$22,600,000” and insert “\$29,100,000”

Page 3, line 12, before the comma insert “and replacement service program vehicles”

Page 3, line 15, delete “\$30,000,000” and insert “\$32,000,000”

Page 3, line 16, delete “\$60,000,000” and insert “\$63,000,000”

Page 3, line 17, delete “\$20,000,000” and insert “\$21,500,000”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2192, A bill for an act relating to tax increment financing; establishing a special environmental treatment area; establishing tax increment financing districts; providing certain contaminant remediation and development powers; proposing coding for new law in Minnesota Statutes, chapter 469.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [FINDINGS; PURPOSE.]

The legislature finds that historical uses of properties within or adjacent to certain geographic areas within Minnesota communities have contributed to the known or suspected contamination of the areas, that the known or suspected contamination of these geographic areas is significant and widespread, that the welfare of the state requires environmentally sound remediation of contaminated sites, that certain of the contaminated geographic areas can be made suitable for development if contaminants are removed but that the areas cannot be developed for any purpose unless remediation is undertaken or ensured, and that the remediation and development of the contaminated geographic areas are public purposes in the interests of environmental quality, contamination management and disposal, and economic development, for which the expenditure of public funds and the exercise of the powers provided in sections 2 to 10 are authorized and in the public interest.

It is not the intent of sections 2 to 10 to reduce, alter, or modify the liability under Minnesota or federal environmental law of a responsible person as defined in Minnesota Statutes, section 115B.03.

Sec. 2. [469.301] [DEFINITIONS.]

Subdivision 1. [APPLICATION.] As used in sections 2 to 10, the terms defined in this section have the meanings given them.

Subd. 2. [ADDITIONAL TAX INCREMENT.] “Additional tax increment” means the tax increment received by the city which is derived from any reduction of the original net tax capacity of property within the area under section 5, paragraph (e).

Subd. 3. [AGENCY.] “Agency” means the Minnesota pollution control agency.

Subd. 4. [AREA.] “Area” means a special environmental treatment area established under section 3.

Subd. 5. [CITY.] “City” means an “authority” as defined in section 469.174, subdivision 2, a “municipality” as defined in section 469.174, subdivision 6, a county, or a housing and redevelopment authority, port authority, economic development authority, or a similar authority created under a special law.

Subd. 6. [COMMISSIONER.] “Commissioner” means the commissioner of the agency.

Subd. 7. [CONTAMINATION.] "Contamination" means the presence or possible presence on, within, or otherwise affecting the area, or properties adjacent to the area if suspected of being a contributing source of contamination of the area, of:

(1) a substance defined as a "hazardous substance" or "toxic substance" in the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended, United States Code, title 42, section 9061, et seq.;

(2) a substance defined as a "hazardous substance," "hazardous waste," or "pollutant or contaminant" in section 115B.02; or

(3) another substance or contaminant determined by the federal environmental protection agency, the pollution control agency, or the department of health to be a threat to public health whose removal or remediation is necessary to the development of the area.

Subd. 8. [DISTRICT.] "District" means a tax increment financing district established within an area as authorized by sections 2 to 10.

Subd. 9. [ELIGIBLE COSTS.] "Eligible costs" means the costs eligible for payment from tax increments as provided in section 7.

Subd. 10. [ELIGIBLE PERSON.] "Eligible person" means a person who did not own, use, occupy, or contribute to the contamination in, or provide financing with respect to, a contaminated parcel before the date of inclusion in an area of the eligible site which includes the contaminated parcel.

Subd. 11. [ELIGIBLE SITE.] "Eligible site" means one or more parcels which satisfy the criteria stated in section 3, subdivision 4.

Subd. 12. [PLAN.] "Plan" or "area plan" means the plan required by section 3, as from time to time amended.

Subd. 13. [REMEDICATION.] "Remediation" means activity constituting "removal," "remedy," "remedial action," or "response" as those terms are defined in section 115B.02; environmental audits; pollution tests; demolition undertaken in connection with remediation; soil removal, correction, disposal, or compaction undertaken in connection with remediation; preparation and implementation of environmental response plans; administrative, legal, including litigation, and professional fees; and other activities reasonably related to the prevention or amelioration of contamination.

Subd. 14. [TAX INCREMENT.] "Tax increment" means the portion of property taxes derived from taxable property in a district that is allocated under the plan for payment of eligible costs, and the

proceeds of tax increment bonds or other obligations payable in whole or in part from tax increments.

Subd. 15. [TAX INCREMENT BONDS.] "Tax increment bonds" means bonds or other obligations issued under section 8.

Subd. 16. [TAX INCREMENT FINANCING ACT.] "Tax increment financing act" means sections 469.174 to 469.179.

Sec. 3. [469.302] [ESTABLISHMENT OF SPECIAL ENVIRONMENTAL TREATMENT AREA.]

Subdivision 1. [ESTABLISHMENT OF AN AREA.] A city may establish an area only in compliance with the requirements of this section.

Subd. 2. [GEOGRAPHIC DESCRIPTION.] (a) A city establishing an area shall select eligible sites within its jurisdictional boundaries. Each eligible site must consist of parcels that contain contamination, or the inclusion of which is permitted by subdivision 4, paragraph (b). For the purposes of selection of eligible sites, the city may by resolution authorize testing of a parcel within the city to assess the presence of contamination or to discover facts relevant to whether the parcel should be included in the geographic area described in a plan to remediate present contamination or prevent future contamination, except that:

(1) the testing must not unreasonably interfere with the current activity occurring on a parcel being tested;

(2) at least ten days before the testing, the city shall provide written notice of the testing to the owner of record of the parcel, each other person with an interest in the parcel whose interest appears in the public land records of the county, and each other person occupying or using the parcel if the city has actual knowledge of the occupancy or use; and

(3) the city shall pay the cost of the testing and the cost of repair or restoration of any property destroyed or damaged by the testing, provided that the city may recover the cost of the testing and other costs from a person who is a responsible person with respect to the parcel tested, if otherwise permitted by law.

(b) A city may request the agency to supervise or provide oversight or provide technical expertise in connection with testing, and the agency may, but is not obligated to, comply with the request. The agency may exercise its powers under section 115B.17, subdivision 14, in connection with the testing. The agency shall, at its request, be reimbursed for its expenses including staff oversight from any funds available to pay eligible costs.

(c) The area must consist of all or some of the eligible sites identified. An area or an eligible site need not consist of contiguous parcels, but the parcels comprising an eligible site in addition to those which contain contamination may be included only as permitted by subdivision 4, paragraph (b). The city shall prepare or cause to be prepared a map showing all of the parcels to be included in the area. The area must also satisfy the requirements of subdivision 5.

Subd. 3. [AREA PLAN.] The city shall prepare a plan for the area that includes the geographic description and map prepared under subdivision 2. The plan must describe the proposed activities within the area to:

(1) remediate existing contamination in accordance with the development action response plan required by subdivision 6;

(2) prevent future contamination; and

(3) cause development to occur within the area.

The plan must further estimate the source, amount, and uses of all tax increments and other funds to be used to pay for the activities described in the area plan. The plan must contain the findings required by subdivisions 4 and 5 and must provide sufficient detail to show the basis for the findings. The plan must include a tax increment financing plan under section 469.175, subdivision 1, for each district to be established under the plan, except that a tax increment financing plan may be for more than one district. The plan must describe the specific kinds of development expected to occur, and the increases in tax capacity expected to result from the development.

Subd. 4. [ELIGIBLE SITES.] (a) Each eligible site, or parcel included in an eligible site, as appropriate, must meet the requirements of paragraphs (b) to (e).

(b) The parcel must contain contamination, or be necessary for inclusion in the eligible site in order to prevent future contamination or remediate present contamination, or be necessary for inclusion in the eligible site in order to form a development site no larger than that necessary for development to occur on the site.

(c) For each parcel containing contamination, the city shall consider the seriousness of the contamination present in the parcel, the threat posed to the public health by the contamination, and the deterrent effect of the contamination on development of the eligible site which includes the contaminated parcel. The city shall submit a report describing the extent and magnitude of the contamination to the commissioner for approval.

(d) The city shall determine that the contamination present in the eligible site is unlikely to be remediated within five to ten years, or that development of the site is unlikely to occur within five to ten years even if remediation occurs because there is no indemnification against potential environmental liability, unless the city forms the area. In making this determination, the city shall consider the availability of funding for remediation from state and federal agencies and the availability and adequacy of the resources of responsible persons to remediate contamination.

(e) The city shall estimate the likelihood of development of the eligible site if the contamination is remediated and shall determine that development of the eligible site is likely to occur if the area is formed and the actions taken as proposed in the plan for the area.

Subd. 5. [AREA CRITERIA.] (a) In addition to the criteria for eligible sites stated in subdivision 4, each area must meet the requirements of paragraphs (b) and (c).

(b) The city must determine that either:

(1) the estimated costs of remediating present contamination or preventing future contamination within the area are no less than \$20,000 per acre for each contaminated parcel; or

(2) the fair market value of the contaminated parcels to be included within the area have suffered a decline in fair market value of not less than 35 percent in the preceding three years.

(c) The city must determine that establishment of the area, the environmental remediation and prevention activities described in the plan and, if applicable, the establishment of a guaranty or indemnification fund, are necessary to:

(1) allow development to occur on the parcels included in the area because of the reluctance of private parties to assume the risk of the cost of remediation of the contaminated parcels in the area; or

(2) cause the fair market value of the contaminated parcels included in the area to rise to the approximate fair market value of similar property available for development in the county and adjacent counties.

Subd. 6. [DEVELOPMENT ACTION RESPONSE PLAN.] The city may not establish an area or approve the plan for the area until a development action response plan as defined in section 469.174, subdivision 17, for each contaminated parcel has been submitted to the agency and the commissioner has approved or modified the development action response plan. The commissioner shall review each development action response plan and approve, modify, or reject

the recommended actions within 90 days after submission of the plan or revised plan, provided that the commissioner has previously approved an investigation report under subdivision 4, paragraph (c), for the parcel proposed for response action under the plan. Only one contaminated parcel may be included in each development action response plan.

Subd. 7. [PLAN REVIEW AND APPROVAL.] (a) The city may not give final approval to the plan until the review, hearing, and approval procedures of this subdivision have been satisfied. The governing body of the city, or city officials designated by the governing body to act in its place, shall conduct a public hearing on the plan. Notice of the public hearing must be published in a newspaper of general circulation within the city at least once and at least 14 days before the public hearing. A copy of the proposed plan must be made available for public inspection on and after the date of publication of the notice of hearing during normal business hours at the principal administrative offices of the city. At the hearing, the city shall receive comments on the plan from all those who desire to speak about it, and shall accept comments submitted in writing at or before the hearing. The city shall also afford others a reasonable opportunity to comment on the plan at the hearing.

(b) Following the hearing, and any revisions to the plan based on the comments received by the city, the city shall submit the plan to the county and each school district whose jurisdictional boundaries include any part of the area. The county and school district have 30 days in which to review the plan and provide their comments to the city.

(c) Following receipt of comments from the county and school district, or the expiration of the 30-day comment period, the city shall revise the proposed plan as the city determines appropriate, or as required by federal or state environmental protection laws. The city may then give final approval to the plan, and proceed with implementation of the plan.

Subd. 8. [MODIFICATIONS.] Following final approval of the plan, the city may eliminate parcels from the area but may not enlarge the area except to add eligible sites. Each enlargement must be evidenced by a written amendment to the plan. The amendment to the plan must comply with the requirements of subdivisions 2 to 7 as though it were a new plan. A development action response plan may be modified only with the approval of the commissioner.

Subd. 9. [EXTRATERRITORIAL AREA.] An area may include parcels outside the geographic boundaries of the city only if the city and the adjacent city or township have entered into an agreement of the type described in section 471.59, authorizing the city to exercise the powers granted under sections 2 to 10, subject to the conditions or limitations provided in the agreement. Tax increments derived

from the parcels outside the boundaries of the city must be paid to the city unless otherwise provided in the agreement.

Subd. 10. [REAL PROPERTY.] A city may acquire real property or interests in real property in connection with the activities authorized by sections 2 to 10, subject to the following limitations:

(1) the real property must be located within the area;

(2) nothing in any contract or instrument executed by the city may relieve a responsible person from liability for remediation costs, nor indemnify or hold harmless a responsible person from remediation costs; and

(3) the terms and conditions of disposition of real property by the city may be determined by the city, except that the price received by the city, either in a lump sum or in installments, must be the fair market value of the real property at the time of disposition.

Sec. 4. [469.303] [STATUS OF AREA; POWERS OF THE CITY; INDEMNIFICATION FUND.]

Subdivision 1. [STATUS OF AREA.] The area constitutes a "project" of the city within the meaning of section 469.174, subdivision 8; an "industrial development district" as described in section 469.058, subdivision 1; a "project" as described in section 469.002, subdivision 12; and a "development district" as described in section 469.125, subdivision 9. Section 273.1399 does not apply to a district formed under sections 2 to 10.

Subd. 2. [POWERS OF THE CITY.] With respect to development of the area, the city may exercise all powers granted under sections 2 to 10 and all powers of or relating to a port authority, a housing and redevelopment authority, and an economic development authority under chapter 469 or other law. The city may establish within the area and modify from time to time one or more tax increment financing districts as provided in the area plan and the tax increment financing act, except as supplemented or otherwise provided under sections 2 to 10, and expend tax increments derived from the districts on eligible costs. The powers conferred by sections 2 to 10 are in addition to the powers conferred by other law or charter. Insofar as the provisions of any other law or charter are inconsistent with sections 2 to 10, the provisions of sections 2 to 10 are controlling.

Subd. 3. [GUARANTY OR INDEMNIFICATION FUND.] In addition to the powers otherwise granted under sections 2 to 10, a city may establish and maintain a guaranty or indemnification fund with respect to any contaminated parcel, or more than one such parcel, included within the area. Funds held in the guaranty or



indemnification fund must be available, upon terms and conditions determined by the city through agreement or resolution, to an eligible person to indemnify and hold harmless the eligible person from liability for remediation costs arising under any state or federal environmental law, regulation, ruling, order, or decision with respect to the contaminated parcel or parcels by reason of the person's use, occupancy, ownership, or financing associated with the contaminated parcel. The city may not indemnify or hold harmless an eligible person from liability for contamination of a parcel caused by the eligible person. Tax increments derived from a district established as authorized in sections 2 to 10 and any other funds available to the city may be deposited in or otherwise used to secure payments from the guaranty or indemnification fund. Tax increments derived from a district established as authorized by the tax increment financing act may also be deposited in the guaranty or indemnification fund, notwithstanding any contrary provision of the tax increment financing act. The city is liable under the guaranty or indemnification only to the extent of funds available to secure payments from the guaranty or indemnification fund. The maximum amount payable from the guaranty or indemnification fund with respect to any eligible site must not exceed 50 percent of the cost of remediation of the contamination present in the contaminated parcels in the eligible site at the time of final approval of the plan, which amount may be inflated each year according to an appropriate inflation index selected by the city. The guaranty or indemnification fund must be held or maintained in or with a financial institution or corporate fiduciary eligible for the deposit of public money or eligible to act as a trustee or fiduciary for bonds or other obligations issued under chapter 475. The guaranty or indemnification fund must be held and maintained for the period agreed to by the city, except that tax increments may be deposited in the fund only during the period permitted by sections 2 to 10. Upon termination of the period of guaranty or indemnification all unexpended money then held in the guaranty or indemnification fund must be considered excess tax increments and returned to the county auditor for redistribution. Investment earnings, net of investment losses, on money held in the guaranty or indemnification fund may, at the option of the city, be retained in the fund or disbursed to the city and applied to other eligible costs. Tax increments used or pledged to secure payments from the guaranty or indemnification fund may be irrevocably pledged for that purpose, and neither filing nor possession is required to perfect the security interest created by the pledge.

Sec. 5. [469.304] [LIMITATIONS.]

(a) A tax increment financing district established by a city under sections 2 to 10 is subject to the provisions of paragraphs (b) to (j).

(b) Request for certification of the district must be filed with the county auditor before December 1 of the year following the third year in which the city gives final approval to the plan. The city may

by written notice to the county auditor elect to defer receipt of the first increment from a district until a year beginning not later than five years after the date of the request for certification. The election may be amended to provide an earlier year of payment of tax increment if the notice of the amendment is filed with the county auditor.

(c) A tax increment from an eligible site may not be paid to the city after January 1 of the year that is 25 years after the year of receipt of the first tax increment from the eligible site.

(d) Section 469.1763 does not apply to the district. Tax increment must be expended or reserved for expenditure by the city only for eligible costs. Tax increment derived from a district may be applied to eligible costs incurred anywhere within the area.

(e) Concurrently with the original request for certification, or at any subsequent time during the life of a district within the area and established as provided in the plan, the city may elect in writing to the county auditor to reduce the original net tax capacity of an eligible site, selected by the city, by up to 100 percent. All additional tax increment derived from the reduction must be expended only for the costs of remediation of contaminated parcels within the eligible site, or to make deposits in a guaranty or indemnification fund. When the city has received sufficient amounts of additional tax increment to pay or to provide for payment of all present and future eligible costs, including remediation costs and required deposits in a guaranty or indemnification fund, whether or not the city's undertaking to pay the costs is contingent, the city shall within 60 days notify the county auditor of this occurrence and shall treat all additional tax increment which exceeds the requirements as excess tax increment. The city shall return the excess tax increment to the county auditor for redistribution, and the county auditor shall then increase the original net tax capacity of each district within the area then benefiting from the reduction made under this paragraph to the original net tax capacity that would at the time prevail had no reduction been made. The reduction of the original net tax capacity permitted by this paragraph may be made only upon findings by the city, supported by written reasons or facts, that:

(1) the eligible site contains significant contamination;

(2) the development of the district would not reasonably be expected to occur through private investment and tax increment otherwise available; and

(3) the reduction in the original net tax capacity is not greater than, and the period of receipt by the city of the increased tax increment arising from the reduction is not longer than, the amount and time necessary to provide the additional tax increment required for remediation of the eligible site as set forth in the plan and the

development action response plan for the eligible site, or to make required deposits in a guaranty or indemnification fund.

(f) The city shall decertify a district upon receipt of sufficient tax increment from the district to pay, or to provide for the payment of, all of the eligible costs respecting the district. The city shall treat all tax increment that exceeds the requirements as excess tax increment. The city shall return the excess tax increment to the county auditor for redistribution.

(g) In establishing or modifying a district included in the area and established under the plan, section 469.175, subdivisions 1, clauses (1), (3), (4), and (7); 1a; 3; and 7, do not apply and the findings otherwise required by section 469.175, subdivision 3, are not required, except that the city shall make the finding, supported by the city with written reasons and supporting facts, that the action is reasonably required in the judgment of the city in furtherance of the development of the area.

(h) The following provisions of the tax increment financing act do not apply to a district formed under sections 2 to 10; sections 469.174, subdivisions 7, paragraphs (b) and (c); 16; and 17; 469.176, subdivisions 1, paragraphs (d), (e), and (g); 3; 4e; 4h; 5; 6; and 7; and 469.1762.

(i) A housing and redevelopment authority, port authority, economic development authority, or county may not exercise the powers granted by this chapter except upon the prior approval, by resolution, of the governing body of the statutory or home rule city or cities or township or townships included in whole or in part within the area established under section 3.

(j) Nothing in sections 2 to 10 or the tax increment financing act may be construed to prevent or preclude a city from establishing one or more tax increment districts under the tax increment financing act for any purpose permitted thereby, and a district may include all or some of an area or a district or an eligible site established under sections 2 to 10. Notwithstanding the provisions of the tax increment financing act, the city may allocate tax increments derived from districts established under the tax increment financing act to eligible costs under sections 2 to 10. Nothing in sections 2 to 10 or the tax increment financing act may be construed to prevent or preclude a city from establishing one or more tax increment districts under sections 2 to 10 for any purpose permitted in those sections, and any district established may include all or some of a district or project established under the tax increment financing act. Tax increments derived from a district established under sections 2 to 10 may be applied only to eligible costs, but if a district established under sections 2 to 10 and a district established under the tax increment financing act overlap, the city may allocate the tax

increments derived from the overlapping area in any reasonable manner.

Sec. 6. [469.305] [INTER-GOVERNMENTAL COOPERATION AND ASSISTANCE.]

The city, the agency, the attorney general, a city as defined in section 2, subdivision 5, and an agency of the state or the University of Minnesota may cooperate with one another and take individual or collective actions considered necessary or desirable to assist development and remediation within the area, including without limitation the preparation and execution of development action response plans, the rendering of legal and technical advice and other assistance, and the transfer of any of its properties within the area to the city or to other entities in furtherance of the development of the area. All properties so transferred by a state agency or the University of Minnesota shall, whenever included within a district within the area and established pursuant to the plan and notwithstanding any other provision of the tax increment financing act, have an original net tax capacity of zero.

Sec. 7. [469.306] [ELIGIBLE COSTS.]

For the purposes of sections 2 to 10, eligible costs mean the following costs that are directly related to remediation of contamination:

(1) the cost to pay, or reimburse any person for the payment of, remediation costs;

(2) the cost of funding a guaranty or indemnification fund created as permitted by section 4, subdivision 3, and payments from the fund, and the cost of paying the premiums on environmental liability insurance obtained by the city or by any other person with respect to real property within the area;

(3) the cost of paying the principal of and interest on bonds or other obligations of the city and associated costs or the cost of paying the interest on other bonds or other obligations or establishing and maintaining a reserve fund for the other bonds or other obligations, all as permitted by section 8;

(4) the cost of issuing bonds or other obligations payable from tax increments derived from an area and customary associated financing costs, including discount, capitalized interest, and interest on the obligations;

(5) the costs of acquisition of real property within the area;

(6) if necessary for remediation of contamination or prevention of

future contamination, the cost of public infrastructure extensions and installations including water, sanitary and storm sewer, ponding and drainage improvements, including improvements located outside the boundaries of the area;

(7) staff oversight costs of the agency and reasonable administrative costs of the city or other government units;

(8) the costs of other activities and improvements authorized by sections 2 to 10; and

(9) costs reasonably related to clauses (1) to (8).

All eligible costs are costs of a project for which tax increments and other public funds may be expended.

All costs are payable from tax increments.

#### Sec. 8. [469.307] [FINANCING.]

To finance eligible costs, the city may issue bonds or other obligations, payable in whole or in part from tax increments derived from districts created in accordance with section 469.178, and the use of tax increments to pay the principal of and interest on the bonds and other costs associated with the bonds is an eligible cost. The city may apply tax increments to pay all or part of the interest on bonds or other obligations issued by public or private entities to finance eligible costs incurred with respect to parcels within the area, or to establish or maintain reserve funds in connection with the bonds or other obligations.

#### Sec. 9. [469.308] [RELATIONSHIP TO TAX INCREMENT FINANCING ACT.]

Subdivision 1. [IN GENERAL.] To the extent that any provision of the tax increment financing act conflicts or is otherwise inconsistent with a provision of sections 2 to 10, the provisions of sections 2 to 10 apply. Nothing in sections 2 to 10 limits or prevents the exercise by the city of any power or authority it may have, and the city may, without limitation, in connection with the exercise of any power respecting development or the establishment of a tax increment financing district, elect not to use the authority granted in sections 2 to 10 and instead proceed under and subject to all of the terms of the other applicable law, including all provisions of sections 469.174 to 469.179 with respect to a tax increment financing district.

Subd. 2. [GUARANTY OR INDEMNIFICATION FUND.] Notwithstanding any provision of the tax increment financing act to the contrary, an authority as defined in the tax increment financing act may amend the tax increment financing plan with respect to any

district to permit the deposit of tax increments derived from the district, or the proceeds of bonds or other obligations payable from the tax increments, in a guaranty or indemnification fund created under this chapter if the amendment is approved on or before a date that is at least five years before the latest termination date of the district permitted by the tax increment financing act.

Sec. 10. [469.309] [RESPONSIBLE PERSONS.]

Subdivision 1. [NO INDEMNITY.] The city may not agree to indemnify or hold harmless a person other than an eligible person as defined in section 2, subdivision 10, from any losses, costs, or damages arising from the application of chapter 115B or other state or federal environmental law.

Subd. 2. [RECOVERY FROM RESPONSIBLE PERSONS.] Nothing in sections 2 to 10 may be construed to limit the authority of the city, the agency, the attorney general, and other appropriate state and federal environmental regulatory agencies or persons authorized to enforce state and federal environmental laws to enforce the provisions of state and federal environmental laws against responsible persons. All amounts recovered by the city from responsible persons, net of the costs of recovery, and all amounts otherwise received by the city representing all or a portion of amounts recovered from responsible persons, with respect to parcels included in the area must be deposited by the city.

Subd. 3. [AMOUNTS RECOVERED.] All amounts deposited with the city, as provided in subdivision 2, are considered tax increment derived from a district formed under sections 2 to 10 and must be:

- (1) applied to the payment of the costs of recovery;
- (2) applied to the payment of eligible costs; or
- (3) returned to the county auditor for redistribution.

Sec. 11. [EFFECTIVE DATE.]

Sections 1 to 10 are effective the day following final enactment."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2225, A bill for an act relating to retirement; St. Paul police relief association; authorizing retirees and surviving spouses to participate in relief association board elections; amending Laws 1955, chapter 151, section 1, subdivision 3, as amended.

Reported the same back with the following amendments:

Page 1, line 12, delete "or" and insert a comma

Page 1, line 13, after "4" insert ", or acting on any question at a regular membership meeting or a special membership meeting"

Page 2, after line 5, insert:

"(c) Notwithstanding any provision of law, relief association articles of incorporation, or relief association bylaws to the contrary, for a question considered at a regular membership meeting or a special membership meeting to be approved, approval must be given by both a majority of members described in paragraph (b) and a majority of members described in paragraph (a) but not also described in paragraph (b)."

Amend the title as follows:

Page 1, line 5, after "elections" insert "and other governance issues"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2231, A bill for an act relating to state government; regulating administrative rulemaking; providing for corrective legislation; requiring the attorney general and administrative law judge to disregard harmless errors; regulating dual notices; establishing an expedited procedure for federally mandated rules; amending Minnesota Statutes 1990, sections 3C.04, subdivision 4; 14.115, subdivision 5; 14.15, by adding a subdivision; 14.22; 14.26; and

14.32; proposing coding for new law in Minnesota Statutes, chapter 14.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1990, section 3C.04, subdivision 4, is amended to read:

Subd. 4. [TECHNICAL BILLS.] The revisor’s office shall prepare and submit to the legislature bills clarifying and correcting the statutes and administrative rules.

Sec. 2. Minnesota Statutes 1990, section 14.115, subdivision 5, is amended to read:

Subd. 5. [COMPLIANCE.] If an administrative law judge or the attorney general finds that an agency has failed to comply with subdivisions 1 to 4, the rules shall not be adopted unless the failure to comply is considered a harmless error under section 14.15, subdivision 5; 14.26, subdivision 3; or 14.32, subdivision 2.

Sec. 3. Minnesota Statutes 1990, section 14.15, subdivision 1, is amended to read:

Subdivision 1. [TIME OF PREPARATION.] After allowing written material to be submitted and recorded in the hearing record for five working days after the public hearing ends, or for a longer period not to exceed 20 days if ordered by the administrative law judge, the administrative law judge assigned to the hearing shall write a report as provided for in section 14.50. Prior to writing the report, the administrative law judge shall allow the agency and interested persons ~~three business~~ five working days after the submission period ends to respond in writing to any new information submitted. During the ~~three-day~~ five-day period, the agency may indicate in writing whether there are amendments suggested by other persons which the agency is willing to adopt. Additional evidence may not be submitted during this ~~three-day~~ five-day period. The written responses shall be added to the rulemaking record.

Sec. 4. Minnesota Statutes 1990, section 14.15, is amended by adding a subdivision to read:

Subd. 5. [HARMLESS ERRORS.] The administrative law judge shall disregard any error or defect in the proceeding due to the agency’s failure to satisfy any procedural requirement imposed by law or rule if the administrative law judge finds:



(1) that the failure did not deprive any person or entity of an opportunity to participate meaningfully in the rulemaking process; or

(2) that the agency has taken corrective action to cure the error or defect so that the failure did not deprive any person or entity of an opportunity to participate meaningfully in the rulemaking process.

Sec. 5. Minnesota Statutes 1990, section 14.22, is amended to read:

14.22 [NOTICE OF PROPOSED ADOPTION OF RULES.]

Subdivision 1. [CONTENTS.] Unless an agency proceeds directly to a public hearing on a proposed rule and gives the notice prescribed in section 14.14, subdivision 1a, the agency shall give notice of its intention to adopt a rule without public hearing. The notice shall be given by publication in the State Register and by United States mail to persons who have registered their names with the agency pursuant to section 14.14, subdivision 1a. The mailed notice shall include either a copy of the proposed rule or a description of the nature and effect of the proposed rule and an announcement that a free copy of the proposed rule is available on request from the agency. The notice in the State Register shall include the proposed rule or the amended rule in the form required by the revisor under section 14.07, and a citation to the most specific statutory authority for the proposed rule. When an entire rule is proposed to be repealed, the notice need only state that fact, giving the citation to the rule to be repealed in the notice. The notice shall include a statement advising the public:

(1) that they have 30 days in which to submit comment in support of or in opposition to the proposed rule and that comment is encouraged;

(2) that each comment should identify the portion of the proposed rule addressed, the reason for the comment, and any change proposed;

(3) that if 25 or more persons submit a written request for a public hearing within the 30-day comment period, a public hearing will be held;

(4) of the manner in which persons shall request a public hearing on the proposed rule;

(5) that the name and address of the person requesting a public hearing shall be stated, and that the requester is encouraged to identify the portion of the proposed rule addressed, the reason for the request, and any change proposed;

(6) that the proposed rule may be modified if the modifications are supported by the data and views submitted; and

(7) that if a hearing is not required, notice of the date of submission of the proposed rule to the attorney general for review will be mailed to any person requesting to receive the notice.

In connection with the statements required in clauses (1) and (3), the notice must also include the date on which the 30-day comment period ends.

Subd. 2. [DUAL NOTICES.] The agency may, at the same time notice is given under subdivision 1, give notice of a public hearing and of its intention to proceed under sections 14.14 to 14.20, if one is required under section 14.25. The notice must include a statement advising the public of its intention to cancel the public hearing if 25 or more persons do not request one. If a hearing is required, there must be at least ten calendar days between the last day for requesting a hearing and the day of the hearing.

Sec. 6. Minnesota Statutes 1990, section 14.26, is amended to read:

**14.26 [ADOPTION OF PROPOSED RULE; SUBMISSION TO ATTORNEY GENERAL.]**

Subdivision 1. [SUBMISSION.] If no hearing is required, the agency shall submit to the attorney general the proposed rule and notice as published, the rule as proposed for adoption, any written comments received by the agency, and a statement of need and reasonableness for the rule. The agency shall give notice to all persons who requested to be informed that these materials have been submitted to the attorney general. This notice shall be given on the same day that the record is submitted. If the proposed rule has been modified, the notice shall state that fact, and shall state that a free copy of the proposed rule, as modified, is available upon request from the agency. The rule and these materials shall be submitted to the attorney general within 180 days of the day that the comment period for the rule is over or the rule is automatically withdrawn. The agency shall report its failure to adopt the rules and the reasons for that failure to the legislative commission to review administrative rules, other appropriate legislative committees, and the governor.

Subd. 2. [RESUBMISSION.] Even if the 180-day period expires while the attorney general reviews the rule, if the attorney general rejects the rule, the agency may resubmit it after taking corrective action. The resubmission must occur within 30 days of when the agency receives written notice of the disapproval. If the rule is again disapproved, the rule is withdrawn. An agency may resubmit at any time before the expiration of the 180-day period. If the agency

withholds some of the proposed rule, it may not adopt the withheld portion without again following the procedures of sections 14.14 to 14.28, or 14.29 to 14.36.

**Subd. 3. [REVIEW.]** The attorney general shall approve or disapprove the rule as to its legality and its form to the extent the form relates to legality, including the issue of substantial change, and determine whether the agency has the authority to adopt the rule and whether the record demonstrates a rational basis for the need for and reasonableness of the proposed rule within 14 days. If the rule is approved, the attorney general shall promptly file two copies of it in the office of the secretary of state. The secretary of state shall forward one copy of each rule to the revisor of statutes. If the rule is disapproved, the attorney general shall state in writing the reasons and make recommendations to overcome the deficiencies, and the rule shall not be filed in the office of the secretary of state, nor published until the deficiencies have been overcome. The attorney general shall send a statement of reasons for disapproval of the rule to the agency, the chief administrative law judge, the legislative commission to review administrative rules, and to the revisor of statutes.

The attorney general shall disregard any error or defect in the proceeding due to the agency's failure to satisfy any procedural requirements imposed by law or rule if the attorney general finds:

(1) that the failure did not deprive any person or entity of an opportunity to participate meaningfully in the rulemaking process;  
or

(2) that the agency has taken corrective action to cure the error or defect so that the failure did not deprive any person or entity of an opportunity to participate meaningfully in the rulemaking process.

**Subd. 4. [COSTS.]** The attorney general shall assess an agency for the actual cost of processing rules under this section. The agency shall pay the attorney general's assessments using the procedures of section 8.15. Each agency shall include in its budget money to pay the attorney general's assessment. Receipts from the assessment must be deposited in the state treasury and credited to the general fund.

Sec. 7. Minnesota Statutes 1990, section 14.30, is amended to read:

**14.30 [NOTICE OF PROPOSED ADOPTION OF EMERGENCY RULE.]**

The proposed emergency rule shall be published with a notice of intent to adopt emergency rules in the State Register, and the same

notice shall be mailed to all persons registered with the agency to receive notice of any rulemaking proceedings. The notice shall include a statement advising the public that a free copy of the proposed rule is available on request from the agency and that notice of the date of submission of the proposed emergency rule to the attorney general will be mailed to any person requesting to receive the notice. For at least 25 days after publication the agency shall afford all interested persons an opportunity to submit data and views on the proposed emergency rule in writing. The notice must also include the date on which the 25-day comment period ends.

Sec. 8. Minnesota Statutes 1990, section 14.32, is amended to read:

**14.32 [SUBMISSION OF PROPOSED EMERGENCY RULE TO ATTORNEY GENERAL.]**

Subdivision 1. [SUBMISSION.] The agency shall submit to the attorney general the proposed emergency rule as published, with any modifications. On the same day that it is submitted, the agency shall mail notice of the submission to all persons who requested to be informed that the proposed emergency rule has been submitted to the attorney general. If the proposed emergency rule has been modified, the notice shall state that fact, and shall state that a free copy of the proposed emergency rule, as modified, is available upon request from the agency.

Subd. 2. [REVIEW.] The attorney general shall review the proposed emergency rule as to its legality, review its form to the extent the form relates to legality, and shall approve or disapprove the proposed emergency rule and any modifications on the tenth working day following the date of receipt of the proposed emergency rule from the agency. The attorney general shall send a statement of reasons for disapproval of the rule to the agency, the chief administrative law judge, the legislative commission to review administrative rules, and to the revisor of statutes.

The attorney general shall disregard any error or defect in the proceeding due to the agency's failure to satisfy any procedural requirement imposed by law or rule if the attorney general finds:

(1) that the failure did not deprive any person or entity of an opportunity to participate meaningfully in the rulemaking process;  
or

(2) that the agency has taken corrective action to cure the error or defect so that the failure did not deprive any person or entity of an opportunity to participate meaningfully in the rulemaking process.

Subd. 2. 3. [COSTS.] The attorney general shall assess an agency

for the actual cost of processing rules under this section. Each agency shall include in its budget money to pay the attorney general's assessment. Receipts from the assessment must be deposited in the state treasury and credited to the general fund.

Sec. 9. [DUAL NOTICE RULES.]

The attorney general, after consultation with the office of administrative hearings, shall adopt rules prescribing the form and content of the notice authorized by Minnesota Statutes, section 14.22, subdivision 2. The rules may provide for a consolidated notice that satisfies the requirements of Minnesota Statutes, sections 14.14, 14.22, and 14.50, and the requirements of the rules of the office of administrative hearings and of the attorney general.

Sec. 10. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to state government; regulating administrative rulemaking; providing for corrective legislation; extending the response period that precedes the writing of an administrative law judge's report on rules adopted after public hearing; requiring the attorney general and administrative law judge to disregard harmless errors; regulating notices; amending Minnesota Statutes 1990, sections 3C.04, subdivision 4; 14.115, subdivision 5; 14.15, subdivision 1, and by adding a subdivision; 14.22; 14.26; 14.30; and 14.32."

With the recommendation that when so amended the bill pass.

The report was adopted.

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 2265, A bill for an act relating to health; specifying timelines for the disposal of cremated remains; modifying standards for county payment of funeral expenses; amending Minnesota Statutes 1991 Supplement, sections 256.935, subdivision 1; and 261.035; proposing coding for new law in Minnesota Statutes, chapter 149.

Reported the same back with the following amendments:

Page 3, line 1, delete "or" and insert "and"

Page 3, line 4, strike "or" and before "final" insert "and"

Page 3, line 7, delete "or" and insert "and"

Page 3, line 10, delete "The"

Page 3, delete lines 11 and 12 and insert "If the wishes of the decedent are not known and the county has no information about the existence of or location of any next of kin, the county may determine the method of final disposition."

With the recommendation that when so amended the bill pass.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2287, A bill for an act relating to retirement; local police and salaried firefighter relief associations; eliminating eligibility for amortization state aid and supplementary amortization state aid for relief associations and consolidation accounts with no unfunded actuarial accrued liability; amending Minnesota Statutes 1991 Supplement, section 423A.02.

Reported the same back with the following amendments:

Page 3, after line 31, insert:

"Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2312, A bill for an act relating to state government; purchases; amending the definition of "manufactured in the United

States"; amending Minnesota Statutes 1991 Supplement, section 16B.101, subdivision 1.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2343, A bill for an act relating to governmental units; organizations and agencies established by law, executive order, or action of a political subdivision acting alone or jointly with another political subdivision; imposing standards and requirements of accountability; proposing coding for new law in Minnesota Statutes, chapter 471.

Reported the same back with the following amendments:

Page 1, line 18, delete "and" and insert "or"

Page 1, after line 19, insert:

"This section does not apply to a state agency or to a political subdivision."

Page 1, line 27, delete everything after the comma, and insert "compare the compensation of the employees with compensation provided to comparable officers and employees under chapter 15A or 43A, and assure that the compensation does not unreasonably exceed that provided under chapter 15A or 43A;"

Page 2, delete lines 1 and 2

With the recommendation that when so amended the bill pass.

The report was adopted.

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 2367, A bill for an act relating to human services; defining commitment; expanding when a neuroleptic medication may be administered; providing informed consent of a competent person for informal admission; changing treatment alternatives; providing for patient commitment to the commissioner; expanding

initial commitment period; defining when the commissioner must designate the regional center or treatment facility to take the committed person; transferring cost of care for committed persons awaiting placement or transfer designation to the state; establishing county financial responsibility for persons temporarily confined; granting continuance of the commitment; clarifying duration of continued commitment; amending Minnesota Statutes 1990, sections 253B.02, by adding a subdivision; 253B.04, subdivision 1; 253B.09; 253B.10, subdivision 1; 253B.11, subdivision 2, and by adding a subdivision; 253B.12, subdivision 5; and 253B.13, subdivisions 1 and 3; Minnesota Statutes 1991 Supplement, section 253B.03, subdivision 6c.

Reported the same back with the following amendments:

Page 1, after line 22, insert:

“Section 1. Minnesota Statutes 1990, section 245.485, is amended to read:

245.485 [NO RIGHT OF ACTION.]

Sections 245.461 to 245.484 and 245.487 to 245.4888 do not independently establish a right of action for tort or contract claims on behalf of recipients of services or service providers against a county board or the commissioner. A claim for monetary damages must be brought under section 3.736 or 3.751.”

Pages 2 to 4, delete sections 2 and 3

Page 4, lines 27 and 28, reinstate the stricken language

Page 4, line 29, delete everything before “Where” and insert “direct the entry filing of an appropriate judgment order.”

Page 4, lines 30 and 31, delete the new language

Page 5, lines 14 to 16, delete the new language

Page 5, line 34, delete the new language

Pages 7 and 8, delete sections 8 to 10

Re-number sections in sequence

Delete the title and insert:



“A bill for an act to human services; defining commitment; providing for patient commitment to the commissioner; defining when the commissioner must designate the regional center or treatment facility to receive the committed person; establishing cost of care for committed persons awaiting placement or transfer designation to the state; establishing county financial responsibility for persons temporarily confined; clarifying duration of continued commitment; amending Minnesota Statutes 1990, sections 245.485; 253B.02, by adding a subdivision; 253B.09; 253B.10, subdivision 1; 253B.11, subdivision 2, and by adding a subdivision.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2368, A bill for an act relating to motor carriers; providing for the expiration of certificates and permits as regular and irregular route carriers of property, and for their conversion to class I certificates and class II permits; specifying operating authority granted by each class; restricting transfer of certain operating authority; prohibiting the lease of class I certificates and class II permits; specifying service that may be offered by courier service carriers; redefining the local cartage zone; increasing registration fees for vehicles of motor carriers; appropriating money; amending Minnesota Statutes 1990, sections 168.013, subdivision 1e; 221.011, subdivisions 7, 8, 9, 14, 25, 28, and by adding subdivisions; 221.036, subdivision 1; 221.041; 221.051; 221.061; 221.071, subdivision 1; 221.081; 221.111; 221.121, subdivisions 1, 6, 6a, and by adding subdivisions; 221.131, subdivisions 2 and 3; 221.141, subdivision 4; and 221.151, subdivision 1, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 221; repealing Minnesota Statutes 1990, section 221.011, subdivisions 11 and 17.

Reported the same back with the following amendments:

Page 21, line 12, after “be” insert “on a form the commissioner prescribes,”

Page 21, line 15, delete “and” and after “(3)” insert “other information the commissioner deems necessary, and (4)”

Page 21, line 16, delete “II” and insert “II-L”

Page 21, line 19, after “permits” insert “; and evidence of the

operating authority actually exercised as described in section 221.151, subdivision 1"

Page 21, line 20, after "received" insert "that meet the requirements of this paragraph"

Page 22, delete section 34

Page 23, line 4, delete "35" and insert "34"

Page 23, line 13, delete "36" and insert "35"

Page 23, line 17, delete "37" and insert "36"

Page 23, line 20, delete "38" and insert "37"

Page 23, line 21, delete "37" and insert "36"

Page 23, line 22, delete "36" and insert "35"

With the recommendation that when so amended the bill pass.

The report was adopted.

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 2420, A bill for an act relating to human services; providing for pilot projects to demonstrate the use of intergovernmental contracts between state and counties to fund, administer, and regulate delivery of community social service programs; appropriating money.

Reported the same back with the following amendments:

Page 1, line 19, delete "25" and insert "six"

Page 1, line 24, after the period insert "The commissioner shall consider statewide distribution and county population in selecting counties for the pilot project."

Page 2, line 8, delete "Implementing" and insert "Improving"

Page 2, line 26, after "the" insert "procedural" and delete "administrative rules" and insert "state law"

Page 2, line 28, after "continue" insert "mandated" and delete everything after "services"

Page 2, line 29, delete everything before the period

Page 3, line 18, delete everything after "under" and insert "state and federal law"

Page 3, line 19, delete "256.045"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 2422, A bill for an act relating to human services; requiring the commissioner to recalculate hospital payment rates using 1991 as the base year.

Reported the same back with the following amendments:

Page 1, line 12, delete everything after the period

Page 1, delete line 13

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 2445, A bill for an act relating to employment; providing that certain conduct by employers against employees for engaging in lawful activities during nonworking hours is an unfair labor practice; amending Minnesota Statutes 1991 Supplement, sections 179.12; and 179A.13, subdivision 2.

Reported the same back with the following amendments:

Page 2, line 30, after "hours" insert "if the activities are unrelated to the employee's employment and do not affect the employer's legitimate business interests"

Page 4, line 7, after "hours" insert "if the activities are unrelated to the employee's employment and do not affect the employer's legitimate government interests"

With the recommendation that when so amended the bill pass.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2474, A bill for an act relating to retirement; St. Paul teachers; making various changes in administrative provisions of laws governing the St. Paul teachers retirement fund association; amending Minnesota Statutes 1990, sections 354A.011, subdivisions 4, 8, 11, 12, 13, 14, 15, 21, 24, and 27; 354A.021, subdivision 6; 354A.05; 354A.08; 354A.096; 354A.36, subdivision 3; 354A.38, subdivision 3; and 354A.39; Minnesota Statutes 1991 Supplement, section 354A.011, subdivision 26; repealing Minnesota Statutes 1990, sections 354A.011, subdivision 2; and 354A.40, subdivisions 2 and 3.

Reported the same back with the following amendments:

Page 3, delete section 6

Page 8, after line 5, insert:

"Sec. 15. Minnesota Statutes 1990, section 354A.31, subdivision 3, is amended to read:

Subd. 3. [RESUMPTION OF TEACHING AFTER COMMENCEMENT OF A RETIREMENT ANNUITY.] Any person who retired and is receiving a coordinated program retirement annuity under the provisions of sections 354A.31 to 354A.41 and who has resumed teaching service for the school district in which the teachers retirement fund association exists is entitled to continue to receive retirement annuity payments except that annuity payments must be reduced during the calendar year immediately following the calendar year in which the person's income from the teaching service is in an amount greater than the annual maximum earnings allowable for that age for the continued receipt of full benefit amounts monthly under the federal old age, survivors and disability insurance program as set by the secretary of health and human services

under the provisions of United States Code, title 42, section 403. The amount of the reduction must be ~~one-half~~ ~~one-third~~ the amount in excess of the applicable reemployment income maximum specified in this subdivision and must be deducted from the annuity payable for the calendar year immediately following the calendar year in which the excess amount was earned. If the person has not yet reached the minimum age for the receipt of social security benefits, the maximum earnings for the person must be equal to the annual maximum earnings allowable for the minimum age for the receipt of social security benefits.

If the person is retired for only a fractional part of the calendar year during the initial year of retirement, the maximum reemployment income specified in this subdivision must be prorated for that calendar year.

After a person has reached the age of 70, no reemployment income maximum is applicable regardless of the amount of any compensation received for teaching service for the school district in which the teachers retirement fund association exists."

Pages 8 and 9, delete section 18 and insert:

"Sec. 2. [FIRST CLASS CITY TEACHERS PLANS, RETIREE RESUMING SERVICE.]

In accordance with Minnesota Statutes, section 354A.12, subdivision 5, approval is granted for the Minneapolis teachers retirement fund association, the St. Paul teachers retirement fund association, and the Duluth teachers retirement fund association, to amend the articles of incorporation or bylaws of the respective association. This authorization is to provide that any person who is retired and receiving a basic program formula retirement annuity under the articles of incorporation or bylaws of the Minneapolis teachers retirement fund association or the St. Paul teachers retirement fund association, or any person who is retired and receiving an old law coordinated program formula retirement annuity under the articles of incorporation or bylaws of the Duluth retirement fund association, and who has resumed teaching service for the school district covered by that same retirement fund association, is entitled to continue to receive retirement annuity payments. However, the annuity payments must be reduced in accordance with Minnesota Statutes, section 354A.31, subdivision 3, if the person's income from teaching service is an amount greater than the maximum earnings allowable for that age for the continued receipt of full benefit amounts monthly under the federal old age, survivors, and disability insurance program as set by the secretary of health and human services under United States Code, title 42, section 403.

Sec. 3. [MINNEAPOLIS RESERVE TEACHERS, EXCLUSION OF PRIOR SERVICE.]

A reserve teacher providing service to special school district No. 1 prior to July 1, 1988, for whom contributions were not made to the Minneapolis teachers retirement fund association is not eligible to receive service credit for the period or periods of omitted contributions, unless service credit has previously been granted for the period or periods. On or after July 1, 1992, reserve teachers meeting the definition of a teacher as defined under Minnesota Statutes, section 354A.011, subdivision 27, and providing service to special school district No. 1 must become members and contributions must be deducted as required by Minnesota Statutes, section 354A.12.

Sec. 4. [OMITTED CONTRIBUTION REIMBURSEMENT; MINNEAPOLIS TEACHERS RETIREMENT FUND ASSOCIATION AND SPECIAL SCHOOL DISTRICT NO. 1.]

Subdivision 1. [REIMBURSEMENT AUTHORIZATION.] Special school district No. 1 is authorized to be reimbursed for a portion of contributions certified by the executive director of the Minneapolis teachers retirement fund association to the commissioner of finance under Laws 1991, chapter 317, sections 3 and 6, if the omitted contributions occurred during the period of July 1, 1988 to July 1, 1991, and were certified to the commissioner of finance before January 31, 1992.

Subd. 2. [TEACHER NOTIFICATION.] The executive director of the Minneapolis teachers retirement fund association and the school board must jointly notify in writing teachers with omitted contributions identified in subdivision 1 of their option to make payment of omitted employee contributions without interest.

Subd. 3. [PAYMENT PROCEDURE.] If an individual notified under subdivision 2 elects to make payment, the full amount must be remitted to the association in a lump sum within 60 days of notification, or the individual may elect to make payment through a payroll deduction. If the individual chooses to make payment through a payroll deduction, that option must be selected within 60 days of notification. The payroll deduction period may not exceed one year. The employing unit must transmit amounts withheld through payroll deductions to the association along with normal payroll contributions.

Subd. 4. [SCHOOL DISTRICT REIMBURSEMENT.] On a quarterly basis, the executive director of the association will determine the amounts received by the association under subdivision 3 through direct lump-sum payments and payroll deductions. The employing unit will be notified of these amounts received by the association, and the employing unit may withhold an equivalent amount from subsequent obligations under Minnesota Statutes, section 354A.12, subdivision 2.

Subd. 5. [EFFECT OF TEACHER NONPAYMENT.] (a) If a

teacher notified under subdivision 2 does not elect to make payments under subdivision 3, or if full payment is not received within the required time limits, the teacher is not entitled to the service credit for the period of omitted contributions identified in subdivision 1, or for any earlier period, and the teacher forfeits any option to purchase that service credit at a later date.

(b) For individuals identified in paragraph (a), the association must determine an amount equivalent to the omitted employee contribution, without interest, for the period specified in subdivision 1. This amount shall be applied by the employer against subsequent obligations under Minnesota Statutes, section 354A.12, subdivision 2."

Renumber the sections in sequence

Correct internal references

Amend the title as follows:

Page 1, lines 2 and 4, delete "St. Paul" and insert "cities of the first class"

Page 1, line 6, delete "14,"

Page 1, line 8, after "354A.096;" insert "354A.31, subdivision 3;" and after "3;" insert "and"

Page 1, line 9, delete "and 354A.39;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2612, A bill for an act relating to natural resources; allowing use of alternative rulemaking procedures for certain rules of the commissioner of natural resources; regulating activities relating to stromatolites; changing definitions; modifying provisions relating to game refuges, scientific and natural areas, experimental waters, and special management waters; expanding certain authorities relating to deer licenses; exempting certain rules of the commissioner from the administrative procedure act; allowing non-metal tags for fish nets; authorizing rulemaking; amending Minnesota Statutes 1990, sections 86A.05, subdivision 5; 97A.015, subdivisions 15 and 40; 97A.085, subdivisions 2, 3, 4, 5, 8, and by

adding a subdivision; 97A.411, subdivision 3; 97A.485, subdivision 9; 97C.001, subdivisions 1 and 3; 97C.005; 97C.351; and 103G.615, subdivision 3; Minnesota Statutes 1991 Supplement, sections 14.29, subdivision 4; and 97A.093; and Laws 1991, chapter 259, section 25, as amended; proposing coding for new law in Minnesota Statutes, chapter 84.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1991 Supplement, section 14.29, subdivision 4, is amended to read:

Subd. 4. [GAME AND FISH RULES.] (a) The commissioner of natural resources may adopt rules under sections 14.29 to 14.36 and this subdivision that are authorized under:

(1) chapters 97A, 97B, and 97C to set open seasons and areas, to close seasons and areas, to select hunters for areas, to provide for tagging and registration of game, to prohibit or allow taking of wild animals to protect a species, and to prohibit or allow importation, transportation, or possession of a wild animal; and

(2) sections 84.093, 84.14, 84.15, and 84.152 to set seasons for harvesting wild ginseng and wild rice and to restrict or prohibit harvesting in designated areas.

Clause (2) does not limit or supersede the commissioner's authority to establish opening dates, days, and hours of the wild rice harvesting season under section 84.14, subdivision 3.

(b) If conditions exist that do not allow the commissioner to comply with sections 14.29 to 14.36, the commissioner may adopt a rule under this subdivision by submitting the rule to the attorney general for review under section 14.32, complying with sections 3.846, subdivision 2, and 14.36, and including a statement of the emergency conditions and a copy of the rule in the notice. The notice may be published after it is received from the attorney general or five business days after it is submitted to the attorney general, whichever is earlier.

(c) Rules adopted under paragraph (b) are effective upon publishing in the State Register and may be effective up to seven days before publishing and filing under section 3.846, subdivision 2, if:

(1) the commissioner of natural resources determines that an emergency exists;



(2) the attorney general approves the rule; and

(3) for a rule that affects more than three counties the commissioner publishes the rule once in a legal newspaper published in Minneapolis, St. Paul, and Duluth, or for a rule that affects three or fewer counties the commissioner publishes the rule once in a legal newspaper in each of the affected counties.

(d) Except as provided in paragraph (e), a rule published under paragraph (c), clause (3), may not be effective earlier than seven days after publication.

(e) A rule published under paragraph (c), clause (3), may be effective the day the rule is published if the commissioner gives notice and holds a public hearing on the rule within 15 days before publication.

(f) The commissioner shall attempt to notify persons or groups of persons affected by rules adopted under paragraphs (b) and (c) by public announcements, posting, and other appropriate means as determined by the commissioner.

(g) Notwithstanding section 14.35, a rule adopted under this subdivision is effective for the period stated in the notice but not longer than 18 months after the rule is adopted.

(h) A rule adopted under this subdivision is not subject to the 180-day time limit in subdivision 2.

## Sec. 2. [84.1525] [STROMATOLITES.]

Subdivision 1. [PERMIT REQUIRED.] A person may not possess, move, or disturb a stromatolite located in waters of the state except under a permit issued by the commissioner.

Subd. 2. [RULES.] The commissioner may adopt rules governing the issuance of permits under subdivision 1.

Sec. 3. Minnesota Statutes 1990, section 86A.05, subdivision 5, is amended to read:

Subd. 5. [STATE SCIENTIFIC AND NATURAL AREAS; PURPOSE; RESOURCE AND SITE QUALIFICATIONS; ADMINISTRATION; DESIGNATION.] (a) A state scientific and natural area shall be established to protect and perpetuate in an undisturbed natural state those natural features which possess exceptional scientific or educational value.

(b) No unit shall be authorized as a scientific and natural area unless its proposed location substantially satisfies the following criteria:

(1) Embraces natural features of exceptional scientific and educational value, including but not limited to any of the following:

(i) natural formations or features which significantly illustrate geological processes;

(ii) significant fossil evidence of the development of life on earth;

(iii) an undisturbed plant community maintaining itself under prevailing natural conditions typical of Minnesota;

(iv) an ecological community significantly illustrating the process of succession and restoration to natural condition following disruptive change;

(v) a habitat supporting a vanishing, rare, endangered, or restricted species of plant or animal;

(vi) a relict flora or fauna persisting from an earlier period; or

(vii) a seasonal haven for concentrations of birds and animals, or a vantage point for observing concentrated populations, such as a constricted migration route; and

(2) Embraces an area large enough to permit effective research or educational functions and to preserve the inherent natural values of the area.

(c) State scientific and natural areas shall be administered by the commissioner of natural resources, in consultation with qualified persons, in a manner which is consistent with the purposes of this subdivision to preserve, perpetuate and protect from unnatural influences the scientific and educational resources within them. Interpretive studies may be provided for the general public. Physical development shall be limited to the facilities absolutely necessary for protection, research, and educational projects, and, where appropriate, for interpretive services.

(d) An area designated as a state scientific and natural area shall not be altered in designation or use without holding a public hearing on the matter at a time and place designated in the notice of the hearing, which shall be published once in a legal newspaper in each county in which the lands are situated at least seven days in advance of the hearing. At the hearing the commissioner shall provide an opportunity for any person to be heard.

(d) (e) At the discretion of the managing agency, each scientific and natural area shall be designated as one of the following types:

(i) Research unit. Use is limited to programs conducted by qualified scientists and college graduate and postgraduate students.

(ii) Educational unit. Permitted uses include all activities specified in paragraph (i) above and primary, secondary, and college undergraduate programs.

(iii) Public use unit. Permitted uses include all uses permitted in paragraphs (i) and (ii) above and interpretive programs for the benefit of the general public.

Sec. 4. Minnesota Statutes 1990, section 97A.015, subdivision 15, is amended to read:

Subd. 15. [DESIGNATED TROUT LAKE; DESIGNATED TROUT STREAM.] "Designated trout lake" or "designated trout stream" means a lake or stream designated by the commissioner as a trout lake or a trout stream under section 97C.001 or 97C.005.

Sec. 5. Minnesota Statutes 1990, section 97A.015, subdivision 40, is amended to read:

Subd. 40. [PUBLIC ACCESS.] "Public access" means an access that is publicly owned by the state or a political subdivision and accessible to the public without charge.

Sec. 6. Minnesota Statutes 1990, section 97A.085, subdivision 2, is amended to read:

Subd. 2. [ESTABLISHMENT BY COMMISSIONER'S ORDER.] The commissioner may designate, by order, a contiguous area of at least 640 acres as a game refuge if more than 50 percent of the area is in public ownership.

Sec. 7. Minnesota Statutes 1990, section 97A.085, subdivision 3, is amended to read:

Subd. 3. [ESTABLISHMENT BY PETITION OF LAND HOLDERS.] The commissioner may designate by order a land area described in a petition as a game refuge. The petition must be signed by the owner, the lessee, or the person in possession of each tract in the area. A certificate of the auditor of the county where the lands are located must accompany the petition stating that the persons named in the petition are the owners, lessees, or persons in possession of all of the land described according to the county records. The game refuge must be a contiguous area of at least 640 acres unless

it borders or includes a marsh, or other body of water or watercourse suitable for wildlife habitat.

Sec. 8. Minnesota Statutes 1990, section 97A.085, subdivision 4, is amended to read:

Subd. 4. [ESTABLISHMENT BY PETITION OF COUNTY RESIDENTS.] The commissioner may, ~~by order~~, designate as a game refuge a contiguous area of at least 640 acres, described in a petition, signed by 50 or more residents of the county where the area is located. ~~Before designation, the commissioner must hold a public hearing on the petition. The notices of the time and place of the hearing must be posted in five of the most conspicuous places within the proposed game refuge at least 15 days before the hearing. A notice of the hearing must be published in a legal newspaper in each county where the area is located at least seven days before the hearing.~~ The game refuge may be designated only if the commissioner finds that protected wild animals are depleted and are in danger of extermination, or that it will best serve the public interest.

Sec. 9. Minnesota Statutes 1990, section 97A.085, is amended by adding a subdivision to read:

Subd. 4a. [HEARING REQUIRED.] Before designating a game refuge under this section, the commissioner must hold a public hearing within the county where the majority of the proposed game refuge exists. Notices of the time and place of the hearing must be posted in five conspicuous places within the proposed game refuge at least 15 days before the hearing. A notice of the hearing must be published in a legal newspaper in each county where the area is located at least seven days before the hearing. Designation of a game refuge under this section is not subject to chapter 14.

Sec. 10. Minnesota Statutes 1990, section 97A.085, subdivision 5, is amended to read:

Subd. 5. [GAME REFUGE FOR SPECIFIED GAME.] The commissioner may, ~~by order~~, designate a game refuge under this section for only specified species. The game refuge must be posted accordingly.

Sec. 11. Minnesota Statutes 1990, section 97A.085, subdivision 8, is amended to read:

Subd. 8. [MODIFICATION OR ABANDONMENT.] A state game refuge may be vacated or modified by ~~order of~~ the commissioner under the same procedures required for establishment of the refuge. ~~The commissioner may not vacate or modify boundaries of a state game refuge established under subdivision 4 until the requirements~~

~~of a petition, notice, and hearing have been complied with to vacate or modify the boundaries.~~

Sec. 12. Minnesota Statutes 1991 Supplement, section 97A.093, is amended to read:

**97A.093 [HUNTING, TRAPPING, AND FISHING IN SCIENTIFIC AND NATURAL AREAS.]**

Except as otherwise provided by law, scientific and natural areas are closed to hunting, trapping, and fishing unless ~~opened by rule of the commissioner.~~

(1) for scientific and natural areas designated before May 15, 1992, the designating document allows hunting, trapping, or fishing; or

(2) for other scientific and natural areas, the commissioner allows hunting, trapping, or fishing in accordance with the procedure in section 86A.05, subdivision 5, paragraph (d).

Sec. 13. Minnesota Statutes 1990, section 97A.411, subdivision 3, is amended to read:

Subd. 3. [ARCHERY DEER LICENSE.] (a) Except as provided in paragraph (b), a license to take deer by archery issued after the opening of the archery deer season is not valid until the fifth day after it is issued.

(b) The commissioner may issue a license to take a second deer by archery under section 97B.301, subdivision 4, that is valid immediately upon issuance.

Sec. 14. Minnesota Statutes 1990, section 97A.485, subdivision 9, is amended to read:

Subd. 9. [CERTAIN LICENSES NOT TO BE ISSUED AFTER SEASON OPENS.] (a) The following licenses may not be issued after the day before the opening of the related firearms season:

(1) to take deer with firearms or by archery, except a license to take a second deer under section 97B.301, subdivision 4;

(2) to guide bear hunters; and

(3) to guide turkey hunters.

(b) Paragraph (a) does not apply to deer licenses for discharged military personnel under section 97A.465, subdivision 4.

(c) A nonresident license or tag to take and possess raccoon, bobcat, Canada lynx, or fox may not be issued after the fifth day of the open season.

Sec. 15. Minnesota Statutes 1990, section 97C.001, subdivision 1, is amended to read:

Subdivision 1. [DESIGNATION.] (a) The commissioner may designate all or part of a lake or stream as experimental waters. The designated experimental waters may not exceed 100 lakes and 25 streams at one time. Only lakes and streams that have a public access may be designated. Designation of experimental waters under this section is not subject to chapter 14.

(b) The commissioner shall by rule establish methods and criteria for public initiation of experimental waters designation and for public participation in the evaluation of the waters designated.

Sec. 16. Minnesota Statutes 1990, section 97C.001, subdivision 3, is amended to read:

Subd. 3. [SEASONS, LIMITS, AND RULES.] The commissioner may, by order in accordance with the procedure in subdivision 2, establish open seasons, limits, methods, and other rules to take fish on experimental waters.

Sec. 17. Minnesota Statutes 1990, section 97C.005, is amended to read:

97C.005 [SPECIAL MANAGEMENT ~~LAKES~~ WATERS.]

(a) The commissioner may, in accordance with the procedure in section 97C.001, subdivision 2:

(1) classify waters for their primary use as trophy lakes, family fishing lakes, special species management lakes, and other designated uses; and

(2) establish open seasons, limits, methods, and other rules to take fish on waters classified under clause (1).

(b) Actions authorized under this section are not subject to chapter 14.

Sec. 18. Minnesota Statutes 1990, section 97C.351, is amended to read:

97C.351 [FISH NETS MUST HAVE TAG ATTACHED.]

A person may not possess a fish net unless specifically authorized or a metal tag is attached bearing the name and address of the owner when the net is not in use and the name and address of the operator when the net is in use, as prescribed by the commissioner. This section does not apply to minnow nets, landing nets, dip nets, and nets in stock for sale by dealers.

Sec. 19. Minnesota Statutes 1990, section 103G.615, subdivision 3, is amended to read:

Subd. 3. [PERMIT STANDARDS.] The commissioner shall, by order rule, prescribe standards to issue and deny permits under ~~subdivision 2~~ this section. The standards must ensure that aquatic plant control is consistent with shoreland conservation ordinances, lake management plans and programs, and wild and scenic river plans.

Sec. 20. Laws 1991, chapter 259, section 25, is amended to read:

Sec. 25. [EFFECTIVE DATE.]

This act is Sections 17, 21, and 22 are effective May 15, 1992. Sections 1 to 16, and 18 to 20 are effective July 1, 1992.

Sec. 21. [EFFECTIVE DATE.]

Sections 2, 12 and 20 are effective May 15, 1992. Sections 1, 3 to 11 and 13 to 19 are effective July 1, 1992.

Amend the title as follows:

Page 1, line 21, delete “, as amended”

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2619, A bill for an act relating to state parks; authorizing additions to and deletions from certain state parks; authorizing an easement and regulating campground use at McCarthy Beach state park.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

**“Section 1. [ADDITIONS TO AND DELETIONS FROM CERTAIN STATE PARKS.]**

Subdivision 1. [85.012] [Subd. 12.] CASCADE RIVER STATE PARK, COOK COUNTY. The following area is deleted from Cascade River state park: That part of the West 750 feet of Government Lot 4, Section 32, Township 61 North, Range 1 West, Cook County, Minnesota, lying southerly of the southerly right-of-way line of U.S. Highway 61; including all riparian rights to the contained 1.6 acres, more or less. Notwithstanding Minnesota Statutes, sections 94.09 to 94.16, the commissioner of natural resources may sell the land so deleted from the park to adjacent landowners. The land shall be conveyed in a form approved by the attorney general for a consideration of not less than the appraised value.

Subd. 2. [85.012] [Subd. 15.] FATHER HENNEPIN STATE PARK, MILLE LACS COUNTY. The following area is added to Father Hennepin state park: Lot 6, Block 1, Christiansen's Addition to the Village of Isle.

The following area is deleted from Father Hennepin state park: Lot 3, Block 1, Christiansen's Addition to the Village of Isle.

Subd. 3. [85.012] [Subd. 40.] MCCARTHY BEACH STATE PARK, ST. LOUIS COUNTY. The following area is added to McCarthy Beach state park: That part of Government Lot 1 lying southwest-erly of the Snake Trail State Forest Road and easterly of the Link Lake/Beatrice Lake State Forest Road; that part of the South Half of the Northeast Quarter and the Northwest Quarter of the Southeast Quarter lying easterly and southerly of the Link Lake/Beatrice Lake State Forest Road; and that part of the Southwest Quarter of the Southeast Quarter lying northerly of Beatrice Lake; all in Section 1, Township 60 North, Range 22 West, Itasca County, Minnesota.

Subd. 4. [85.012] [Subd. 45.] NERSTRAND BIG WOODS STATE PARK, RICE COUNTY. The following area is added to Nerstrand Big Woods state park: The East Half of the Southwest Quarter, the Southwest Quarter of the Southwest Quarter, the East Half of the Northwest Quarter of the Southwest Quarter and the West Half of the Southeast Quarter of Section 3; the South Half of the Southwest Quarter and the South Half of the Southeast Quarter of Section 4; the Southeast Quarter of the Northeast Quarter, the Southeast Quarter of the Southwest Quarter and the Southeast Quarter of Section 8; the West Half of Section 10; the West Half of Section 15; the Northeast Quarter, the Northeast Quarter of the Northwest Quarter and the East Half of the Southeast Quarter of Section 17; all in Township 110 North, Range 19 West, Rice County, Minnesota.



Sec. 2. [MCCARTHY BEACH STATE PARK; EASEMENT; CAMP-GROUND.]

(a) A permanent roadway easement shall be granted for land-owner access across the Southeast Quarter of the Northeast Quarter of Section 1, Township 60 North of Range 22 West in McCarthy Beach state park. The state accepts no liability for maintenance, snow removal, or any improvements on the roadway.

(b) The campground in McCarthy Beach state park shall remain primitive. Any significant change to the existing uses of the area shall be subject to the same public review process identified in the Minnesota Outdoor Recreation Act of 1975."

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2702, A bill for an act relating to waters; changing the composition of the board of water and soil resource's dispute resolution committee; amending Minnesota Statutes 1990, section 103B.101, subdivision 10.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2769, A bill for an act relating to retirement; providing for the calculation of pension increases for the Virginia police relief association.

Reported the same back with the following amendments:

Page 1, line 7, after "law" insert "to the contrary" and before "the" insert "but subject to Minnesota Statutes, section 69.77, subdivision 1,"

Page 1, line 14, delete "shall" and insert "must"

Page 1, line 22, delete "beneficiaries would then" and insert "benefit recipients must"

Page 1, line 23, after the period insert "For deferred service pensioners, the percentage must be applied to the initially calculated deferred service pension amount, plus any prior percentage increases granted since the date on which the deferred service pensioner terminated active service."

Page 1, delete lines 24 and 25 and insert "The increase also must be granted to the three benefit recipients who had no automatic postretirement adjustments payable as of December 31, 1991."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2776, A bill for an act relating to telecommunications; establishing a grant and loan program to assist political subdivisions of the state and other public entities to participate in regional or statewide telecommunications systems; authorizing the issuance and sale of state bonds for the program; appropriating money.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [TELECOMMUNICATIONS GRANT AND LOAN PROGRAM.]

Subdivision 1. [ADMINISTRATION.] The commissioner of trade and economic development and the commissioner of administration shall develop a statewide competitive grant and loan program to assist political subdivisions of the state and other public entities to develop site facilities that will allow them to participate in the statewide telecommunications access routing system. Money available for the program must be allocated evenly among the economic development regions of the state defined by the commissioner of trade and economic development. Up to half of the money must be used for grants. The remainder must be used for interest-free loans.

Subd. 2. [RESTRICTIONS ON USE OF MONEY.] Loan and grant money under the program may be used for on-site construction and renovation costs, on-site design and engineering costs, and on-site

equipment costs. Money may not be used to purchase off-site telecommunications transmission facilities and equipment.

Subd. 3. [REGIONAL ADVISORY GROUPS.] The commissioners shall appoint a regional telecommunications advisory group for each economic development region. A regional telecommunications advisory group must include, at a minimum, representation from health care providers, elementary and secondary education, post-secondary education, city or county government, the judicial system, state agencies that have offices or facilities in the region, and local telecommunications providers. In addition, an advisory group's membership must reflect broad geographic representation from within the region.

Subd. 4. [DISTRIBUTION OF GRANTS AND LOANS.] (a) The commissioners shall select recipients of grants and loans, giving preference to applicants that are working collaboratively in multi-agency, multicomunity consortiums. In order to be eligible for a grant or loan under the program, a project must meet all of the following criteria:

(1) the project must be designed to improve opportunities and quality of life for residents of the surrounding community or region by providing access to improved educational, job training, health care, or other opportunities or services provided in the public sector;

(2) the project must be designed to fit into a comprehensive telecommunications plan for the surrounding community and region;

(3) the project must have been approved by a regional telecommunications advisory group appointed under subdivision 3;

(4) the applicant must possess, or have developed a plan to acquire, the technical expertise necessary to carry out the project;

(5) the need for improved educational, medical, and other public sector services in the project area must be well documented;

(6) the project can serve as a model to be replicated in or applied to other areas, and the applicant agrees to share information with other public sector organizations regarding the progress and outcome of the project; and

(7) the applicant can demonstrate financial need.

In determining whether projects meet the criterion set out in clause (2), the commissioners shall give preference to plans that maximize public access for the region.

(b) Of applicants that satisfy the criteria in paragraph (a), the commissioners shall give preference to: (1) applicants that can demonstrate that receipt of a grant or loan through the program will help them obtain additional funding from other sources; and (2) projects proposed for areas in which the per capita personal income is below the state average, with the greatest preference going to projects proposed for areas with the lowest per capita income.

(c) Awards may be in the form of loans, matching grants, or unmatched grants.

(d) The commissioners shall administer the program in a minimum of two application and grant cycles a year, with the first round of awards to be announced no later than August 1, 1992. Any money designated for an economic development region that is not awarded within that region in earlier cycles is available in the final cycle of the year to qualified applicants in all regions.

Subd. 5. [REVOLVING ACCOUNT.] Money appropriated for the program and repayments of loans must be deposited in the state treasury and credited to an account in the special revenue fund. Money in the account is appropriated to the commissioner of trade and economic development to establish and operate a pool for additional grants or loans. In addition, money in the account is to be used to pay costs incurred by the commissioner of trade and economic development and the commissioner of administration to administer the program.

## Sec. 2. [SALE OF BONDS.]

The commissioner of finance, on request of the governor, shall issue and sell bonds of the state in an amount up to \$3,500,000. The commissioner shall issue and sell the bonds in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and the Minnesota Constitution, article XI.

## Sec. 3. [APPROPRIATION.]

\$3,500,000 is appropriated from the bond proceeds fund to the commissioner of trade and economic development for purposes of section 1."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Anderson, I., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2829, A bill for an act relating to local government; city of Hutchinson; providing for the adoption by the city of a special service district.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2848, A bill for an act relating to state government; ratifying labor agreements; providing for classification changes for certain employees; requiring a report to the legislature; amending Minnesota Statutes 1990, section 21.85, subdivision 2; Minnesota Statutes 1991 Supplement, sections 43A.08, subdivisions 1 and 1a; and 349A.02, subdivision 4.

Reported the same back with the following amendments:

Page 3, line 3, delete "higher" and insert "technical college"

Page 3, line 4, delete "education coordinating"

Page 3, after line 29, insert:

"Subd. 19. [STATE UNIVERSITY FACULTY.] The labor agreement between the state of Minnesota and the inter-faculty organization, approved by the legislative commission on employee relations on March 9, 1992, is ratified.

Subd. 20. [STATE UNIVERSITY ADMINISTRATIVE UNIT.] The labor agreement between the state of Minnesota and the Minnesota state university association of administrative and service faculty, approved by the legislative commission on employee relations on March 9, 1992, is ratified.

Subd. 21. [STATE UNIVERSITY UNREPRESENTED EMPLOYEES PLAN.] The plan for unrepresented employees of the state university system, as approved by the department of employee relations on March 9, 1992, and by the legislative commission on employee relations on March 9, 1992, is ratified."

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 2891, A bill for an act relating to commerce; unclaimed property; providing for the recovery of property by others; amending Minnesota Statutes 1991 Supplement, section 345.485.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Pursuant to rule 9.03, H. F. No. 2891 was re-referred to the Committee on Rules and Legislative Administration.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 2904, A bill for an act relating to commerce; changing the penalty for selling tobacco to a child; adding a penalty for the purchase of or an attempt to purchase tobacco by a child; amending Minnesota Statutes 1990, section 609.685, subdivisions 1a and 3.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1990, section 609.685, subdivision 3, is amended to read:

Subd. 3. [PETTY MISDEMEANOR.] Whoever uses, purchases, or attempts to purchase tobacco or tobacco related devices and is under the age of 18 years is guilty of a petty misdemeanor. This subdivision does not apply to a person under the age of 18 years who purchases or attempts to purchase tobacco or tobacco related devices if authorized or supervised by a law enforcement agency.”

Delete the title and insert:

“A bill for an act relating to commerce; adding a penalty for the purchase of or an attempt to purchase tobacco by a child; amending Minnesota Statutes 1990, section 609.685, subdivision 3.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2924, A bill for an act relating to licensure board powers; amending the examination procedure for licensing optometrists; amending Minnesota Statutes 1990, section 148.57, subdivision 1.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 2927, A bill for an act relating to human services; requiring the commissioner to contract with a prepaid dental plan company to provide dental services to recipients of medical assistance, general assistance medical care, and the children's health plan; amending Minnesota Statutes 1990, section 256B.0625, subdivision 9.

Reported the same back with the following amendments:

Page 2, after line 27, insert:

“(c) Nothing in this section affects the commissioner’s authority to contract under sections 256B.031, 256B.035, and 256D.03, subdivision 4, paragraph (c).”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 2928, A bill for an act relating to human services; clarifying and expanding restrictions on giving away assets or income to gain eligibility for medical assistance; requiring an institutionalized spouse on medical assistance to use available

income and assets for health care and personal needs; permitting medical assistance liens against real property; prohibiting trust clauses that make trust assets unavailable to a beneficiary if the beneficiary becomes eligible for medical assistance; amending Minnesota Statutes 1990, sections 256B.059, subdivision 5; 256B.0595, subdivision 1; 256B.15, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 501B.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 2944, A resolution memorializing the television networks to actively reduce the amount of violence-laden, sexually explicit material on television programs and to produce television material that promotes wholesome family values and helps to strengthen the family.

Reported the same back with the following amendments:

Page 2, line 8, delete everything before "helps"

With the recommendation that when so amended the bill pass.

The report was adopted.

Pursuant to rule 9.03, H. F. No. 2944 was re-referred to the Committee on Rules and Legislative Administration.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 2950, A bill for an act relating to commerce; regulating the real estate, education, research, and recovery fund; amending Minnesota Statutes 1990, section 82.34, subdivisions 3, 4, 7, 9, 11, 13, and 14; repealing Minnesota Statutes 1990, section 82.34, subdivision 20.

Reported the same back with the following amendments:

Page 1, after line 7, insert:



"Section 1. Minnesota Statutes 1990, section 80A.14, subdivision 4, is amended to read:

Subd. 4. [BROKER-DEALER.] "Broker-dealer" means any person engaged in the business of effecting transactions in securities for the account of others or for that person's own account. "Broker-dealer" includes a real estate broker or agent licensed under chapter 82 who sells a vendor's interest in more than ten contracts for deed during any period of 12 consecutive months. "Broker-dealer" does not include:

- (1) an agent;
- (2) an issuer;
- (3) a trust company; or
- (4) a bank, savings institution, savings and loan association
  - (i) acting for the account of others, provided that such activities are conducted in compliance with such rules as may be adopted by the commissioner;
  - (ii) acting for its own account; or
  - (iii) acting in a fiduciary capacity pursuant to the powers and privileges described by sections 48.36 to 48.49 or United States Code, title 12, section 92(a);
- (5) a person who has no place of business in this state if that person effects transactions in this state exclusively with or through (i) the issuers of the securities involved in the transactions, (ii) other broker-dealers, or (iii) banks, savings institutions, trust companies, insurance companies, investment companies as defined in the Investment Company Act of 1940, pension or profit sharing trusts, or other financial institutions or institutional buyers, or to broker-dealers, whether the purchaser is acting for itself or in some fiduciary capacity; or
- (6) other persons not within the intent of this subsection whom the commissioner by rule or order designates.

Sec. 2. Minnesota Statutes 1990, section 82.19, is amended by adding a subdivision to read:

Subd. 7. [SECURITIES SOLD BY BUSINESSES OUTSIDE SCOPE OF LICENSING.] A license issued under this chapter does not allow a licensee to engage in the business of buying, selling, negotiating, brokering, or otherwise dealing in contracts for deed, mortgages, or other evidence of indebtedness regarding real estate,

except that a licensee may, if there is no additional compensation, and if the licensee represents the seller, buyer, lessor, or lessee in the sale, lease, or exchange of real estate, arrange for the sale of a contract, mortgage, or similar evidence of indebtedness for the subject property."

Page 2, line 35, strike "per year" and after the period insert "An aggrieved person who has a cause of action under section 80A.23 shall first seek recovery as provided in section 80A.05, subdivision 5, before the court may order payment from the recovery fund."

Page 5, line 14, delete "section" and insert "subdivision"

Page 6, after line 8, insert:

"Sec. 11. [PENDING CLAIMS.]

The change in the per year limit contained in section 5 does not apply to a cause of action that was commenced before August 1, 1992."

Page 6, line 13, delete "9" and insert "12"

Renumber the sections in sequence

Correct internal references

Amend the title as follows:

Page 1, line 4, delete "section" and insert "sections 80A.14, subdivision 4; 82.19, by adding a subdivision; and"

With the recommendation that when so amended the bill pass.

The report was adopted.

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 2967, A bill for an act relating to human services; modifying requirements for earned income savings accounts for residents of residential facilities; requiring the signature of a representative of the residential facility before money may be withdrawn; amending Minnesota Statutes 1991 Supplement, section 256D.06, subdivision 1b.

Reported the same back with the following amendments:

Page 1, line 26, delete the new language

Page 2, line 1, delete "must be established in such a way that" and insert "For individuals residing in a chemical dependency program licensed under Minnesota Rules, part 9530.4100, subpart 22, item D," and after "withdrawals" insert "from the savings account"

Page 2, line 2, after "and" insert "for those individuals with" and delete the second "of" and insert "payee, the signature of the payee."

Page 2, line 3, delete the new language

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

S. F. No. 735, A bill for an act relating to state government; increasing the amount of vacation time that certain state employees can donate to bargaining representatives; amending Minnesota Statutes 1990, section 43A.04, subdivision 8.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Anderson, I., from the Committee on Local Government and Metropolitan Affairs to which was referred:

S. F. No. 1633, A bill for an act relating to the city of Bloomington; providing for the membership of the port authority; amending Minnesota Statutes 1990, section 469.071, by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

**SECOND READING OF HOUSE BILLS**

H. F. Nos. 487, 1861, 1884, 1938, 1980, 2013, 2025, 2028, 2051, 2181, 2225, 2231, 2265, 2287, 2312, 2343, 2368, 2445, 2474, 2612, 2619, 2702, 2769, 2848, 2904, 2924, 2928, 2950 and 2967 were read for the second time.

**SECOND READING OF SENATE BILLS**

S. F. Nos. 735 and 1633 were read for the second time.

**INTRODUCTION AND FIRST READING  
OF HOUSE BILLS**

The following House Files were introduced:

Anderson, I.; Jacobs; Winter and Steensma introduced:

H. F. No. 2982, A bill for an act relating to taxation; providing that certain improvements to travel trailer and park trailer sites are taxed as personal property; amending Minnesota Statutes 1991 Supplement, section 272.02, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 273.

The bill was read for the first time and referred to the Committee on Taxes.

Greenfield introduced:

H. F. No. 2983, A bill for an act relating to corrections; requiring the commissioner of corrections to establish a challenge incarceration program for young, nonviolent offenders with controlled substance abuse problems; providing that the program must provide strenuous physical exercise, manual labor, and military drill and ceremony; providing intensive supervised release for inmates who successfully complete the program; proposing coding for new law in Minnesota Statutes, chapter 244.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Brown introduced:

H. F. No. 2984, A bill for an act relating to health; amending the

clean indoor air act; amending Minnesota Statutes 1990, sections 144.413, subdivision 2, and by adding subdivisions; 144.414, subdivision 3; and 144.417, subdivisions 1 and 2.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Brown introduced:

H. F. No. 2985, A bill for an act relating to health; amending the clean indoor air act; amending Minnesota Statutes 1990, sections 144.413, subdivision 2, and by adding subdivisions; 144.414, subdivision 3, and by adding a subdivision; and 144.417, subdivisions 1 and 2.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Brown introduced:

H. F. No. 2986, A bill for an act relating to health; amending the clean indoor air act; amending Minnesota Statutes 1990, sections 144.413, subdivision 2, and by adding subdivisions; 144.414, subdivision 3, and by adding a subdivision; and 144.417, subdivisions 1 and 2.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Munger, Wagenius, Pauly, Blatz and McGuire introduced:

H. F. No. 2987, A resolution memorializing the President to take action at the Earth Summit to address global environmental concerns.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Rest, Long, Jacobs, Peterson and Garcia introduced:

H. F. No. 2988, A bill for an act relating to state government; providing that the attorney general may adopt procedures to collect state debts and obligations; establishing a revolving fund for collections; proposing coding for new law in Minnesota Statutes, chapter 8.

The bill was read for the first time and referred to the Committee on Appropriations.

Peterson, Brown, Koppendrayner, Ogren and Olson, K., introduced:

H. F. No. 2989, A bill for an act relating to armories; providing for the transfer of closed armories to municipalities and counties; providing planning and construction grants for reusing transferred armories; releasing municipalities and counties that acquire armories from certain liabilities; appropriating money.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Murphy introduced:

H. F. No. 2990, A bill for an act relating to property tax aids; modifying disparity reduction aid to counties; extending the taconite homestead credit to certain property; amending Minnesota Statutes 1990, sections 273.134; 273.135, subdivisions 1 and 3, and by adding a subdivision; 273.136, subdivision 2; and 275.07, subdivision 3; Minnesota Statutes 1991 Supplement, section 273.1398, subdivision 3.

The bill was read for the first time and referred to the Committee on Taxes.

O'Connor, by request, and Farrell, by request, introduced:

H. F. No. 2991, A bill for an act relating to taxation; property; providing a credit for certain property assessed at a value greater than its sale price; proposing coding for new law in Minnesota Statutes, chapter 273.

The bill was read for the first time and referred to the Committee on Taxes.

Runbeck; Jacobs; Morrison; Olsen, S., and Bodahl introduced:

H. F. No. 2992, A bill for an act relating to taxation; real property; decreasing the class rate on manufactured home parks; amending Minnesota Statutes 1991 Supplement, section 273.13, subdivision 25.

The bill was read for the first time and referred to the Committee on Taxes.

Sparby introduced:

H. F. No. 2993, A bill for an act relating to the city of Thief River Falls; permitting a local sales tax.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Mariani introduced:

H. F. No. 2994, A bill for an act relating to higher education; providing for a public post-secondary student's bill of rights; proposing coding for new law in Minnesota Statutes, chapter 135A.

The bill was read for the first time and referred to the Committee on Education.

Dempsey introduced:

H. F. No. 2995, A bill for an act relating to education; limiting teacher salary increases if a contract has not been settled by a certain date; amending Minnesota Statutes 1990, section 124A.22, subdivision 2a.

The bill was read for the first time and referred to the Committee on Education.

Welker introduced:

H. F. No. 2996, A bill for an act relating to the city of Redwood Falls; requiring the commissioner of finance to refund an industrial revenue bond application fee; appropriating money.

The bill was read for the first time and referred to the Committee on Appropriations.

Gruenes and Goodno introduced:

H. F. No. 2997, A bill for an act relating to education; providing for summer school for financial aid purposes; amending Minnesota Statutes 1990, section 136A.121, subdivision 10.

The bill was read for the first time and referred to the Committee on Education.

Solberg and Anderson, I., introduced:

H. F. No. 2998, A bill for an act relating to taxation; providing that Itasca county may levy for economic development purposes outside of levy limits; amending Laws 1989, First Special Session chapter 1, article 5, section 50, as amended.

The bill was read for the first time and referred to the Committee on Taxes.

### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Madam Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 155, A bill for an act relating to traffic regulations; authorizing immediate towing of certain unlawfully parked vehicles; amending Minnesota Statutes 1990, section 169.041, subdivision 4.

The Senate has appointed as such committee:

Mrs. Brataas, Mr. Novak and Ms. Flynn.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam Speaker:

I hereby announce the passage by the Senate of the following Senate File, herewith transmitted:

S. F. No. 2514.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 2514, A bill for an act relating to the Yellow Medicine county hospital district; providing for hospital board membership



and elections; amending Laws 1963, chapter 276, sections 2, subdivision 2, and by adding subdivisions; and 4.

The bill was read for the first time.

Peterson moved that S. F. No. 2514 and H. F. No. 2658, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

Welle moved that the House recess subject to the call of the Chair. The motion prevailed.

#### RECESS

#### RECONVENED

The House reconvened and was called to order by the Speaker.

#### CONSENT CALENDAR

Welle moved that the bills on the Consent Calendar for today be continued. The motion prevailed.

#### SPECIAL ORDERS

Welle moved that the bills on Special Orders for today be continued. The motion prevailed.

#### GENERAL ORDERS

Welle moved that the bills on General Orders for today be continued. The motion prevailed.

#### MOTIONS AND RESOLUTIONS

Simoneau moved that the name of Ostrom be added as an author on H. F. No. 2420. The motion prevailed.

Rest moved that the name of Ogren be added as chief author on H. F. No. 2940. The motion prevailed.

Pugh moved that the name of Pelowski be shown as chief author and that the words "by request" after Pelowski's name be stricken on H. F. No. 2941. The motion prevailed.

Reding moved that H. F. No. 2848, now on Technical General Orders, be re-referred to the Committee on Appropriations. The motion prevailed.

Dawkins moved that H. F. No. 2950, now on Technical General Orders, be re-referred to the Committee on Appropriations. The motion prevailed.

Reding moved that H. F. No. 2368, now on Technical General Orders, be re-referred to the Committee on Appropriations. The motion prevailed.

Sparby moved that H. F. No. 2993 be recalled from the Committee on Local Government and Metropolitan Affairs and be re-referred to the Committee on Taxes. The motion prevailed.

Murphy moved that H. F. No. 2513 be returned to its author. The motion prevailed.

Hartle moved that H. F. No. 1937 be returned to its author. The motion prevailed.

Stanisus moved that H. F. No. 1927 be returned to its author. The motion prevailed.

Stanisus moved that H. F. No. 2303 be returned to its author. The motion prevailed.

Stanisus moved that H. F. No. 2721 be returned to its author. The motion prevailed.

Stanisus moved that H. F. No. 2722 be returned to its author. The motion prevailed.

Stanisus moved that H. F. No. 2739 be returned to its author. The motion prevailed.

Stanius moved that H. F. No. 2740 be returned to its author. The motion prevailed.

Stanius moved that H. F. No. 2751 be returned to its author. The motion prevailed.

#### ADJOURNMENT

Welle moved that when the House adjourns today it adjourn until 1:00 p.m., Tuesday, March 24, 1992. The motion prevailed.

Welle moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 1:00 p.m., Tuesday, March 24, 1992.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



## STATE OF MINNESOTA

## SEVENTY-SEVENTH SESSION—1992

## EIGHTY-THIRD DAY

SAINT PAUL, MINNESOTA, TUESDAY, MARCH 24, 1992

The House of Representatives convened at 1:00 p.m. and was called to order by Dee Long, Speaker of the House.

Prayer was offered by Pastor Randy Johnson, Temple Baptist Church, Minneapolis, Minnesota.

The roll was called and the following members were present:

Abrams	Frederick	Kelso	Olsen, S.	Skoglund
Anderson, I.	Frerichs	Kinkel	Olson, E.	Smith
Anderson, R.	Garcia	Knickerbocker	Olson, K.	Solberg
Anderson, R. H.	Girard	Koppendraye	Omann	Sparby
Battaglia	Goodno	Krambeer	Onnen	Stanius
Bauerly	Greenfield	Krinkie	Orenstein	Steensma
Beard	Gruenes	Krueger	Orfield	Sviggum
Begich	Gutknecht	Lasley	Osthoff	Swenson
Bertram	Hanson	Leppik	Ostrom	Thompson
Bettermann	Hartle	Lieder	Ozment	Tompkins
Bishop	Hasskamp	Limmer	Pauly	Trimble
Blatz	Haukoos	Lourey	Pellow	Tunheim
Bodahl	Hausman	Lynch	Pelowski	Uphus
Boo	Heir	Macklin	Peterson	Valento
Brown	Henry	Mariani	Pugh	Vanasek
Carlson	Hufnagle	Marsh	Reding	Vellenga
Carruthers	Hugoson	McEachern	Rest	Wagenius
Clark	Jacobs	McGuire	Rice	Waltman
Cooper	Janezich	McPherson	Rodosovich	Weaver
Dauner	Jaros	Milbert	Rukavina	Wejzman
Davids	Jefferson	Morrison	Runbeck	Welker
Dawkins	Jennings	Munger	Sarna	Welle
Dempsey	Johnson, A.	Murphy	Schafer	Wenzel
Dille	Johnson, R.	Nelson, S.	Schreiber	Winter
Dorn	Johnson, V.	Newinski	Seaberg	Spk. Long
Erhardt	Kahn	O'Connor	Segal	
Farrell	Kalis	Ogren	Simoneau	

A quorum was present.

Nelson, K., was excused.

The Chief Clerk proceeded to read the Journal of the preceding day. Heir moved that further reading of the Journal be dispensed

with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

#### REPORTS OF CHIEF CLERK

S. F. No. 2514 and H. F. No. 2658, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Peterson moved that S. F. No. 2514 be substituted for H. F. No. 2658 and that the House File be indefinitely postponed. The motion prevailed.

#### REPORTS OF STANDING COMMITTEES

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 443, A bill for an act relating to human services; establishing a board of chemical dependency counselors; licensing and regulating chemical dependency counselors; providing penalties; appropriating money; amending Minnesota Statutes 1990, section 595.02, subdivision 1; proposing coding for new law as Minnesota Statutes, chapter 148C.

Reported the same back with the following amendments:

Page 7, after line 22, insert:

“After July 1, 1995, no person may be licensed without passing the examination.”

Page 8, line 31, after the period insert “City, county, and state agency chemical dependency counselors who are not licensed under sections 1 to 11 may use the title “city agency chemical dependency counselor,” “county agency chemical dependence counselor,” or “state agency chemical dependency counselor.””

Page 9, line 8, after “therapists,” insert “social workers.”

Page 9, line 11, delete “state that they” and insert “use a title incorporating the words “chemical dependency counselor” or “licensed chemical dependency counselor” or otherwise hold themselves out to the public by any title or description stating or implying that they are licensed to engage in the practice of chemical dependency counseling.”

Page 9, delete lines 12 and 13

Page 14, line 22, delete "1992" and insert "1993"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 1334, A bill for an act relating to retirement; volunteer firefighters; qualifying service; computation and proration of service pensions; amending Minnesota Statutes 1990, sections 424A.001, subdivision 4; and 424A.02, subdivisions 1, 3, 6, and 7.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

## "ARTICLE 1

### VOLUNTEER FIRE BENEFIT CHANGES

Section 1. [69.032] [MAXIMUM FIRE STATE AID; ALLOCATION OF AID IN EXCESS OF MAXIMUM.]

(a) Notwithstanding any provision of section 69.031 to the contrary, no municipality associated with a volunteer firefighters relief association that pays a service pension other than a defined contribution service pension or independent nonprofit firefighting corporation may receive fire state aid in excess of the maximum in paragraph (b).

(b) The maximum fire state aid is an amount equal to 200 percent of the amount that would be the minimum municipal obligation of the municipality or nonprofit firefighting corporation under the applicable provisions of sections 69.771 to 69.775, if the municipality or nonprofit firefighting corporation received no fire state aid, as reflected in the reporting provided to the state auditor under sections 69.011 and 69.051.

(c) The commissioner of revenue shall deduct the amount of the calculated fire state aid apportionment in excess of the maximum specified in paragraph (b) from the calculated apportionment to

determine the amount of fire state aid payable to qualifying municipalities and independent nonprofit firefighting corporations. The remaining apportionment amount in excess of the maximum must be credited to the amount of fire insurance premium tax proceeds available for the next subsequent fire state aid apportionment.

Sec. 2. Minnesota Statutes 1990, section 424A.02, subdivision 1, is amended to read:

Subdivision 1. [AUTHORIZATION.] A relief association, when its articles of incorporation or bylaws so provide, may pay out of the assets of its special fund a service pension to each of its members who: (1) separates from active service with the fire department; (2) reaches age 50; (3) completes at least five years of active service as an active member of the municipal fire department to which the relief association is associated; (4) completes at least five years of active membership with the relief association before separation from active service; and (5) complies with any additional conditions as to age, service, and membership that are prescribed by the bylaws of the relief association. A service pension computed under this section, if the bylaws or articles of incorporation of the relief association so provide, may be prorated monthly for fractional years of service. The service pension may be paid whether or not the municipality or nonprofit firefighting corporation to which the relief association is associated qualifies for fire state aid under chapter 69. In the case of a member who has completed at least five years of active service as an active member of the fire department to which the relief association is associated on the date that the relief association is established and incorporated, the requirement that the member complete at least five years of active membership with the relief association before separation from active service may be waived by the board of trustees of the relief association if the member completes at least five years of inactive membership with the relief association before the payment of the service pension. During the period of inactive membership, the member is not entitled to receive disability benefit coverage, is not entitled to receive additional service credit towards computation of a service pension, and is considered to have the status of a person entitled to a deferred service pension under subdivision 7.

No municipality or nonprofit firefighting corporation may delegate the power to take final action in setting a service pension or ancillary benefit amount or level to the board of trustees of the relief association or to approve in advance a service pension or ancillary benefit amount or level equal to the maximum amount or level that this chapter would allow rather than a specific dollar amount or level.

No relief association as defined in section 424A.001, subdivision 4, may pay a service pension or disability benefit to a former member of the relief association if that person has not separated from active



service with the fire department to which the relief association is directly associated.

For the purposes of this chapter, "to separate from active service" means to cease to perform fire suppression duties and to cease to supervise fire suppression duties.

Sec. 3. Minnesota Statutes 1990, section 424A.02, subdivision 3, is amended to read:

Subd. 3. [FLEXIBLE SERVICE PENSION MAXIMUMS.] (a) On or before August 1 of each year as part of the certification of the financial requirements and minimum municipal obligation made pursuant to section 69.772, subdivision 4, or 69.773, subdivision 5, the secretary or some other official of the relief association designated in the bylaws of each relief association shall calculate and certify to the governing body of the applicable qualified municipality the average amount of available financing per active covered firefighter for the most recent three-year period. The amount of available financing shall include any amounts of fire state aid received or receivable by the relief association, any amounts of municipal contributions to the relief association raised from levies on real estate or from other available revenue sources exclusive of fire state aid, and one-tenth of the amount of assets in excess of the accrued liabilities of the relief association calculated pursuant to sections 69.772, subdivision 2; 69.773, subdivisions 2 and 4; or 69.774, subdivision 2, if any.

(b) The maximum service pension which the relief association may have authority to provide for in its bylaws for payment to a member retiring after the calculation date when the minimum age and service requirements specified in subdivision 1 are met shall must be determined using the applicable following table in paragraph (c) or (d), whichever applies.

(c) For a relief association where the governing bylaws provide for a monthly service pension to a retiring member, if the average amount of available financing per active covered firefighter does not exceed the minimum average amount specified below, then the maximum monthly service pension amount per month for each year of service credited which that may be provided for in the bylaws shall be the greater of: (1) the service pension amount provided for in the bylaws on the date of calculation; or (2) is the maximum service pension figure corresponding to the average amount of available financing per active covered firefighter:

Minimum Average Amount of Available Financing per Firefighter	Maximum Service Pension Amount Payable per Month for Each Year of Service
\$ ...	\$ .25
37	.50
75	1.00
112	1.50
149	2.00
186	2.50
224	3.00
261	3.50
298	4.00
336	4.50
373	5.00
447	6.00
522	7.00
597	8.00
671	9.00
746	10.00
820	11.00
895	12.00
969	13.00
1044	14.00
1119	15.00
1193	16.00
1268	17.00
1342	18.00
1417	19.00
1491	20.00
1566	21.00
1640	22.00
1678	22.50
1715	23.00
1790	24.00
1865	25.00
1940	26.00
2015	27.00
2090	28.00
2165	29.00
2240 or more	30.00
<u>any amount more than 2240</u>	<u>30.00</u>

(d) For a relief association in which the governing bylaws provide for a lump sum service pension to a retiring member, if the average amount of available financing per active covered firefighter does not exceed the minimum average amount specified below, then the maximum lump sum service pension amount for each year of service credited which that may be provided for in the bylaws shall be the greater of: (1) the service pension amount provided for in the bylaws on the date of the calculation; or (2) is the maximum service pension figure corresponding to the average amount of available financing

per active covered firefighter for the applicable specified period:

Minimum Average Amount of Available Financing per Firefighter	Maximum Lump Sum Service Pension Amount Payable for Each Year of Service
<u>(1) for service pensions payable before January 1, 1993:</u>	
\$ ..	\$ 10
10	20
14	30
20	40
24	50
28	60
38	80
48	100
58	120
68	140
76	160
86	180
96	200
116	240
134	280
154	320
172	360
192	400
212	440
230	480
250	520
268	560
288	600
308	640
326	680
346	720
364	760
384	800
432	900
480	1000
528	1100
576	1200
624	1300
672	1400
720	1500
768	1600
816	1700
864	1800
912	1900
960	2000
1008	2100
1056	2200
1104	2300
1152	2400

1200	2500
1248	2600
1296	2700
1344	2800
1392	2900
1440 or more	3000
<u>any amount more than 1440</u>	<u>3000</u>

(2) in addition to the service pension maximum under clause (1), for service pensions payable after December 31, 1992, and before January 1, 1994:

1486	3100
1534	3200
1558	3250
<u>any amount more than 1558</u>	<u>3250</u>

(3) in addition to the service pension maximum under clauses (1) and (2), for service pensions payable after December 31, 1993, and before January 1, 1995:

1582	3300
1630	3400
1678	3500
<u>any amount more than 1678</u>	<u>3500</u>

(4) in addition to the service pension maximum under clauses (1), (2), and (3), for service pensions payable after December 31, 1994, and before January 1, 1996:

1726	3600
1774	3700
1798	3750
<u>any amount more than 1798</u>	<u>3750</u>

(5) in addition to the service pension maximum under clauses (1), (2), (3), and (4), for service pensions payable after December 31, 1995:

1822	3800
1870	3900
1918	4000
<u>any amount more than 1918</u>	<u>4000</u>

(e) For a relief association in which the governing bylaws provide for a monthly benefit service pension as an alternative form of service pension payment to a lump sum service pension at the option of the retiring member, the maximum service pension amount shall for each pension payment type must be determined using the applicable table contained in this subdivision.

(f) If a relief association establishes a service pension in compliance with the applicable maximum contained in paragraph (c) or (d) and the minimum average amount of available financing per active covered firefighter is subsequently reduced by virtue of a reduction in fire state aid or by virtue of an increase in the number of active firefighters, the relief association may continue to provide the prior service pension amount specified in its bylaws, but may not increase the service pension amount until the minimum average amount of available financing per firefighter under the table in paragraph (c) or (d), whichever applies, permits.

(g) No relief association is authorized to provide a service pension in an amount greater than \$30 per month per year of service credit or \$3,000 lump sum per year of service credit before January 1, 1993, \$3,250 lump sum per year of service credit before January 1, 1994, \$3,500 lump sum per year of service credit before January 1, 1995, \$3,750 lump sum per year of service credit before January 1, 1996, and \$4,000 lump sum per year of service credit after December 31, 1995, even if the minimum average amount of available financing per firefighter for a relief association providing a monthly benefit service pension is greater than \$2,240, or for a relief association providing a lump sum service pension, is greater than \$1,440 before January 1, 1993, \$1,558 before January 1, 1994, \$1,678 before January 1, 1995, \$1,798 before January 1, 1996, or \$1,918 after December 31, 1995.

Sec. 4. Minnesota Statutes 1990, section 424A.02, is amended by adding a subdivision to read:

Subd. 3a. [PENALTY FOR PAYING PENSION GREATER THAN APPLICABLE MAXIMUM.] (a) If a relief association pays a service pension greater than the maximum service pension associated with the applicable average amount of available financing per active covered firefighter under the table in subdivision 3, paragraph (c) or (d), whichever applies, the maximum service pension under subdivision 3, paragraph (f), or the applicable maximum service pension amount specified in subdivision 3, paragraph (g), whichever is less, the state auditor shall:

(1) disqualify the municipality or the nonprofit firefighting corporation associated with the relief association from receiving fire state aid by making the appropriate notification to the municipality and the commissioner of revenue, with the disqualification applicable for the next apportionment and payment of fire state aid; and

(2) recover the amount of the overpaid service pension or pensions from any retired firefighter who received an overpayment.

(b) Fire state aid amounts from disqualified municipalities for the five-year period of disqualifications under paragraph (a), clause (1), must be credited to the amount of fire insurance premium tax

proceeds available for the next subsequent fire state aid apportionment.

(c) The amount of any overpaid service pension recovered under paragraph (a), clause (2), must be credited to the amount of fire insurance premium tax proceeds available for the next subsequent fire state aid apportionment.

(d) The determination of the state auditor that a relief association has paid a service pension greater than the applicable maximum must be made on the basis of the information filed by the relief association and the municipality with the state auditor under sections 69.011, subdivision 2, and 69.051, subdivision 1 or 1a, whichever applies, and any other relevant information that comes to the attention of the state auditor. The determination of the state auditor is final. An aggrieved municipality, relief association, or person may appeal the determination under section 480A.06.

Sec. 5. [VALIDATION OF PRIOR PAYMENTS; AUTHORITY TO RETAIN CERTAIN SERVICE PENSION AMOUNTS.]

(a) Payments of lump sum service pensions by volunteer firefighter relief associations before March 15, 1992, that were in excess of the uppermost flexible service pension maximum amount specified in Minnesota Statutes, section 424A.02, subdivision 3, but were in conformance with the articles of incorporation or bylaws of the relief association in effect on the day before the payment of the lump sum service pension, are hereby ratified.

(b) A lump sum service pension amount in excess of the uppermost flexible service pension maximum amount specified in Minnesota Statutes 1990, section 424A.02, subdivision 3, and in excess of the applicable lump sum service pension maximum amount specified in section 424A.02, subdivision 3, as specified in the articles of incorporation or bylaws of a relief association in effect on December 31, 1991, may continue in force after December 31, 1991, but may not be subsequently increased except in conformance with section 424A.02, subdivision 3.

Sec. 6. [EFFECTIVE DATE.]

Section 1 is effective on January 1, 1994. Sections 2 to 5 are effective on the day following final enactment.

## ARTICLE 2

### VOLUNTEER FIRE INVESTMENT PERFORMANCE REPORTING

Section 1. Minnesota Statutes 1990, section 11A.04, is amended to read:

**11A.04 [DUTIES AND POWERS.]**

The state board shall:

(1) Act as trustees for each fund for which it invests or manages money in accordance with the standard of care set forth in section 11A.09 if state assets are involved and in accordance with chapter 356A if pension assets are involved.

(2) Formulate policies and procedures deemed necessary and appropriate to carry out its functions. Procedures adopted by the board must allow fund beneficiaries and members of the public to become informed of proposed board actions. Procedures and policies of the board are not subject to the administrative procedure act.

(3) Employ an executive director as provided in section 11A.07.

(4) Employ investment advisors and consultants as it deems necessary.

(5) Prescribe policies concerning personal investments of all employees of the board to prevent conflicts of interest.

(6) Maintain a record of its proceedings.

(7) As it deems necessary, establish advisory committees subject to section 15.059 to assist the board in carrying out its duties.

(8) Not permit state funds to be used for the underwriting or direct purchase of municipal securities from the issuer or the issuer's agent.

(9) Direct the state treasurer to sell property other than money that has escheated to the state when the board determines that sale of the property is in the best interest of the state. Escheated property must be sold to the highest bidder in the manner and upon terms and conditions prescribed by the board.

(10) Undertake any other activities necessary to implement the duties and powers set forth in this section.

(11) Establish a formula or formulas to measure management performance and return on investment. Except as provided by section 356.218, public pension funds in the state shall utilize the formula or formulas developed by the state board.

(12) Except as otherwise provided in article XI, section 8, of the constitution of the state of Minnesota, employ, at its discretion, qualified private firms to invest and manage the assets of funds over which the state board has investment management responsibility.

There is annually appropriated to the state board, from the assets of the funds for which the state board utilizes a private investment manager, sums sufficient to pay the costs of employing private firms. Each year, by January 15, the board shall report to the governor and legislature on the cost and the investment performance of each investment manager employed by the board.

(13) Adopt an investment policy statement that includes investment objectives, asset allocation, and the investment management structure for the retirement fund assets under its control. The statement may be revised at the discretion of the state board. The state board shall seek the advice of the council regarding its investment policy statement. Adoption of the statement is not subject to chapter 14.

Sec. 2. Minnesota Statutes 1990, section 356.218, subdivision 2, is amended to read:

Subd. 2. [COVERED PUBLIC PENSION PLANS.] The provisions of this section apply to any Minnesota public pension plan, including a local police or firefighters relief association governed by sections 69.77 or 69.771 to 69.775, that has assets with a book value of at least \$500,000 as of the end of the preceding plan year. A volunteer firefighters relief association governed by sections 69.771 to 69.775, that has assets with a book value of at least \$500,000, but less than or equal to \$2,000,000 as of the end of the preceding plan year shall utilize the formula identified in subdivision 3, paragraph (b), clause (1), or the formula described in subdivision 3, paragraph (b), clause (2), as the relief association elects. Other covered public pension plans shall utilize the formula identified in subdivision 3, paragraph (b), clause (1).

Sec. 3. Minnesota Statutes 1990, section 356.218, subdivision 3, is amended to read:

Subd. 3. [CONTENTS OF THE INVESTMENT PERFORMANCE REPORT.] (a) The investment performance report required by this section must contain the time-weighted total rate of return results for each quarter and annually for each significant asset class or type of investment and for the portfolio as a whole.

(b) The time-weighted rate of return results must be computed using market values and the applicable procedure, as follows:

(1) the formula or formulas prescribed by the state board of investment under section 11A.04, clause (11); or

(2) by dividing the total investment gain or loss for the quarter by average assets for the quarter, where:



(i) the total investment gain or loss for the quarter is computed by subtracting the beginning market value for the quarter and the net contributions for the quarter from the ending market value for the quarter;

(ii) the measure of average assets to be used is beginning market value for the quarter plus one-half the net contributions for the quarter; and

(iii) the resulting quarterly returns for each significant asset class and for the portfolio as a whole must be used to create annual time-weighted returns according to the same procedures for developing annual time-weighted returns from quarterly returns, as used in the formula specified by the state board of investment under section 11A.04, clause (11).

(c) The person performing the calculations shall certify conformance to that formula or these formulas the applicable procedure.

(d) The investment performance report may also include any additional investment performance or investment related information that the chief administrative officer considers necessary to provide an adequate summary of the performance of the portfolio. The additional information must be clearly indicated as a supplement to the information required by this subdivision.

(e) The executive director of the legislative commission on pensions and retirement shall prescribe the forms on which the report must be submitted and may prescribe other directions for submitting the report.

Sec. 4. [EFFECTIVE DATE.]

Sections 1 to 3 are effective July 1, 1992.

### ARTICLE 3

#### LOCAL VOLUNTEER FIRE RELIEF ASSOCIATION PROVISIONS

Section 1. Laws 1971, chapter 140, section 5, as amended by Laws 1973, chapter 30, section 5, is amended to read:

Sec. 5. [GOLDEN VALLEY VOLUNTEER FIREFIGHTERS RELIEF ASSOCIATION; FUNERAL BENEFIT COVERAGE.]

Subdivision 1. [BENEFIT AUTHORIZATION.] Notwithstanding any provision of law to the contrary, the bylaws of the firemen's volunteer firefighters relief association in the village city of Golden Valley may provide for a funeral benefit not to exceed \$1,500 in case

of death of a retired, disabled, or active fireman firefighter. The amount of the funeral benefit payable on account of any deceased active, disabled, or retired firefighter may not exceed \$1,500.

Provided further, in the case of a member receiving an early retirement service pension or an early retirement service transfer pension under section 1, subdivision 2 or 3, and who has been had credit for a period as a member of the association for a period of not less than five years, the funeral benefit shall be in the is an amount of \$100 for each year of service exceeding five and with a maximum benefit of \$1,500.

Subd. 2. [ADDITIONAL FUNDING REQUIREMENT FOR FUNERAL BENEFIT COVERAGE.] In addition to the determination of the accrued liability of the relief association under Minnesota Statutes, section 69.772, subdivision 2, the officers of the relief association shall determine an additional accrued liability for the funeral benefit coverage under subdivision 1. The additional accrued liability is an amount equal to ten percent of the accrued liability determined under Minnesota Statutes, section 69.772, subdivision 2. In calculating the financial requirements of the relief association and the minimum obligation of the municipality under Minnesota Statutes, section 69.772, subdivision 3, the additional accrued liability for this benefit coverage must be added to the results determined under Minnesota Statutes, section 69.772, subdivisions 2 and 2a.

Sec. 2. [RATIFICATION OF PRIOR FUNERAL BENEFIT PAYMENTS.]

Any funeral benefit payment made between March 27, 1973, and the effective date of this section, that was in conformance with the bylaws of the Golden Valley volunteer firefighters relief association at the time of the payment, but that was in excess of the amount authorized under Laws 1973, chapter 30, section 5, before this amendment is hereby ratified.

Sec. 3. [EFFECTIVE DATE; LOCAL APPROVAL.]

Sections 1 and 2 are effective upon approval by the governing body of the city of Golden Valley and upon compliance with Minnesota Statutes, section 645.021.

#### ARTICLE 4

Section 1. [SECOND CHANCE MEDICARE COVERAGE REFERENDUM FOR CERTAIN PUBLIC PENSION PLAN MEMBERS.]

(a) A person described in paragraph (b) is entitled to elect Medicare coverage under Minnesota Statutes, section 355.90 in a

second social security referendum held for that purpose by the department of employee relations.

(b) A person eligible under paragraph (a) is a person who:

(1) was born on May 19, 1928;

(2) became employed as a teacher in 1953;

(3) is employed as a teacher by independent school district No. 77, Mankato; and

(4) is a member of the basic program of the teachers retirement association.

(c) If elected in the referendum, Medicare coverage is effective on the first of the month next following the referendum.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective on the day following final enactment."

Delete the title and insert:

"A bill for an act relating to retirement; volunteer firefighters relief associations; increasing service pension maximums; establishing a fire state aid maximum apportionment; providing penalties for noncompliance with service pension maximums; specifying duties for the state auditor; ratifying certain prior nonconforming lump sum service pension payments; continuing certain nonconforming lump sum service pension amounts in force; modifying certain investment performance calculations; modifying certain local volunteer firefighters relief association provisions; authorizing a second election on Medicare coverage by a certain teacher; amending Minnesota Statutes 1990, sections 11A.04; 356.218, subdivisions 2, and 3; and 424A.02, subdivisions 1, 3, and by adding a subdivision; Laws 1971, chapter 140, section 5, as amended; proposing coding for new law in Minnesota Statutes, chapter 69."

With the recommendation that when so amended the bill pass.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 1897, A bill for an act relating to education; modifying

the cooperative secondary facilities program; authorizing the sale of bonds; amending Minnesota Statutes 1990, sections 124.493, subdivision 1; 124.494, subdivisions 2 and 4; and 124.495; repealing Minnesota Statutes 1991 Supplement, section 124.493, subdivision 3.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1991 Supplement, section 124.479, is amended to read:

124.479 [BOND ISSUE; MAXIMUM EFFORT SCHOOL LOANS, 1991.]

To provide money to be loaned to school districts as agencies and political subdivisions of the state to acquire and to better public land and buildings and other public improvements of a capital nature, in the manner provided by the maximum effort school aid law, the commissioner of finance shall issue and sell school loan bonds of the state of Minnesota in the maximum amount of \$45,065,000, in addition to the bonds already authorized for this purpose. The same amount is appropriated to the maximum effort school loan fund and must be spent under the direction of the commissioner of education to make debt service loans and capital loans to school districts as provided in sections 124.36 to 124.47. The bonds must be issued and sold and provision for their payment must be made according to section 124.46. Expenses incidental to the sale, printing, execution, and delivery of the bonds, including, but without limitation, actual and necessary travel and subsistence expenses of state officers and employees for those purposes, must be paid from the maximum effort school loan fund, and the money necessary for the expenses is appropriated from that fund.

~~No bonds may be sold or issued under this section until all bonds authorized by Laws 1990, chapter 610, sections 2 to 7, are sold and issued and the authorized project contracts have been initiated or abandoned.~~

Sec. 2. [124.4791] [BOND ISSUE; MAXIMUM EFFORT LOANS, 1992.]

To provide money to be loaned to school districts as agencies and political subdivisions of the state to acquire and to better public land and buildings and other public improvements of a capital nature, in the manner provided by the maximum effort school aid law, the commissioner of finance shall issue and sell school loan bonds of the state of Minnesota in the maximum amount of \$12,130,000, in addition to the bonds already authorized for this purpose. The same

amount is appropriated to the maximum effort school loan fund and must be spent under the direction of the commissioner of education to make debt service loans and capital loans to school districts as provided in sections 124.36 to 124.47. The bonds must be issued and sold and provision for their payment must be made according to section 124.46. Expenses incidental to the sale, printing, execution, and delivery of the bonds, including, but without limitation, actual and necessary travel and subsistence expenses of state officers and employees for those purposes, must be paid from the maximum effort school loan fund, and the money necessary for the expenses is appropriated from that fund.

Sec. 3. Minnesota Statutes 1990, section 124.495, is amended to read:

124.495 [STATE BOND AUTHORIZATION.]

Subdivision 1. [1989.] To provide money for the cooperative secondary facilities grant program, the commissioner of finance, upon the request of the commissioner of education, shall issue and sell bonds of the state up to the amount of \$14,000,000 in the manner, upon the terms and with the effect prescribed by sections 16A.631 to 16A.675 and the Minnesota Constitution, article XI, sections 4 to 7.

Subd. 2. [1992.] To provide money for the cooperative secondary facilities grant program, the commissioner of finance, upon request of the commissioner of education, shall issue and sell bonds of the state up to the amount of \$12,000,000 in the manner, upon the terms, and with the effect prescribed by sections 16A.631 to 16A.675 and the Minnesota Constitution, article XI, sections 4 to 7. The amount authorized in this subdivision is in addition to bonds already authorized for this purpose.

Sec. 4. [124C.581] [ISSUANCE AND SALE OF BONDS.]

To provide money for grants under the desegregation capital improvement grant act, the commissioner of finance, upon the request of the commissioner of education, shall issue and sell bonds of the state up to the amount of \$5,000,000 in the manner, upon the terms, and with the effect prescribed by sections 16A.631 to 16A.675 and the Minnesota Constitution, article XI, sections 4 to 7. The amount authorized in this section is in addition to bonds already authorized for this purpose.

Sec. 5. [1992 MAXIMUM EFFORT LOANS.]

The commissioner of education shall make capital loans to independent school district No. 38, Red Lake, and independent school

district No. 239, Rush City. Capital loans to these districts are approved.

Sec. 6. [LIBRARY FOR THE BLIND AND PHYSICALLY HANDICAPPED; FARIBAULT.]

\$1,325,000 is appropriated from the bond proceeds fund to the commissioner of administration to construct and equip at Faribault an addition to the current library for the blind and physically handicapped, remodel the existing building, and improve the utility system serving the library.

Sec. 7. [HOFFMAN CENTER; ST. PETER.]

\$400,000 is appropriated from the bond proceeds fund to the commissioner of administration for construction of an educational facility at Hoffman Center in St. Peter. The facility must be constructed to meet the educational needs of court-placed adolescent sex offenders for whom independent school district No. 508, St. Peter, has the responsibility of providing educational services. The commissioner of administration and the school district must establish a contract that provides for the operation and maintenance of the facility and that specifies that the state will retain ownership of the facility. The contract must also provide that the district will make the debt service payments on the bonds issued to construct the facility and that independent school district No. 508, St. Peter, will add these debt service payments to the amount charged back to resident districts according to Minnesota Statutes, section 120.17, subdivision 6, or 120.181. The payments by the school district to the state for debt service are to be deposited in the debt service fund. If, for any reason, the receipt of payments from resident districts is not sufficient to make the required debt service payments, the commissioner of education shall reduce appropriations for special education aid and transfer the required amount to the debt service fund.

Sec. 8. [EDUCATIONAL FACILITY; ST. FRANCIS.]

\$4,000,000 is appropriated from the bond proceeds fund to the commissioner of administration for construction of an educational facility in independent school district No. 15, St. Francis. The facility must be constructed to meet the educational needs of court-placed adolescents for whom independent school district No. 15, St. Francis, has the responsibility of providing educational services. The commissioner of administration and the school district must establish a contract that provides for the operation, maintenance, and ownership of the facility, and specifies that the district will make the debt service payments on the bonds issued to construct the facility. Independent school district No. 15 may add these debt service payments to the amount charged back to resident districts according to Minnesota Statutes, section 120.17, subdivision 6, or 120.181. The district, at its discretion, may levy for a portion of the debt service

payments. The payments by the school district to the state for debt service are to be deposited in the debt service fund. If, for any reason, the receipt of payments from resident districts is not sufficient to make the required debt service payments, the commissioner of education shall reduce special education aid and transfer the required amount to the debt service fund.

Sec. 9. [INSTRUCTIONS TO REVISOR.]

In the next edition of Minnesota Statutes, the revisor is to codify Laws 1990, chapter 610, article 1, section 45, as Minnesota Statutes, section 124.478."

Amend the title accordingly

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Ogren from the Committee on Taxes to which was referred:

H. F. No. 1910, A bill for an act relating to corporations; providing for the formation, organization, operation, taxation, management, and ownership of limited liability companies; prescribing the procedures for filing articles of organization; establishing the powers of a limited liability company; providing for the naming of a limited liability company; providing for the appointment of a resident agent for a limited liability company; establishing the relationship of the members of a limited liability company to each other and to third parties; permitting the merger of one or more limited liability companies with other domestic limited liability companies and domestic and foreign corporations; providing for the dissolution, winding up, and termination of a limited liability company; providing for foreign limited liability companies to do business in this state; defining certain terms; appropriating money; amending Minnesota Statutes 1990, sections 116B.02, subdivision 2, and by adding a subdivision; 273.124, subdivision 8; 290.01, by adding a subdivision; 302A.011, subdivision 19; 302A.115, subdivision 1; 302A.121, subdivision 2; 302A.601, by adding a subdivision; 308A.005, subdivision 6; 308A.121, subdivision 1; 308A.311, subdivision 7, and by adding a subdivision; 317A.011, subdivision 16; 317A.115, subdivision 2; 319A.02, subdivision 5, and by adding a subdivision; 319A.03; 319A.05; 319A.06, subdivision 2; 319A.07; 319A.12, subdivisions 1a and 2; 319A.20; 322A.01; 322A.02; 333.001; 333.18, subdivision 2; 333.20, subdivision 2; 333.21, subdivision 1; 500.24, subdivisions 2, 3a, 3b, 4, 5, and 7; 550.366, subdivision 1; 551.06, subdivisions 2 and 9; 561.19, subdivision 1; 571.921; and 583.24,

subdivision 2; Minnesota Statutes 1991 Supplement, sections 290.06, subdivision 22; 302A.471, subdivision 1; 500.24, subdivisions 3 and 6; and 571.75, subdivision 2; proposing coding for new law as Minnesota Statutes, chapter 322B.

Reported the same back with the following amendments:

Pages 1 to 3, delete sections 1 to 3

Page 10, delete sections 13 and 14

Pages 18 to 22, delete section 32

Page 22, lines 30 to 32, delete the new language

Page 23, lines 5, 6, 22, 34, and 35, delete the new language

Page 24, lines 16, 18, 26, 27, 28, 29, 31, and 32, delete the new language

Page 25, lines 1, 7, 8, 17, 28, and 29, delete the new language

Page 25, line 36, delete "family farm limited" and insert "or"

Page 26, delete line 1

Page 26, line 13, delete the new language

Page 27, lines 12 and 13, delete the new language

Page 27, line 14, reinstate the stricken language and delete the new language

Page 27, line 15, delete the new language

Pages 28 to 63, delete sections 34 to 46

Renumber the sections in article 1 in sequence

Delete the title and insert:

"A bill for an act relating to corporations; providing for the formation, organization, operation, taxation, management, and ownership of limited liability companies; prescribing the procedures for filing articles of organization; establishing the powers of a limited liability company; providing for the naming of a limited liability company; providing for the appointment of a resident agent



for a limited liability company; establishing the relationship of the members of a limited liability company to each other and to third parties; permitting the merger of one or more limited liability companies with other domestic limited liability companies and domestic and foreign corporations; providing for the dissolution, winding up, and termination of a limited liability company; providing for foreign limited liability companies to do business in this state; defining certain terms; appropriating money; amending Minnesota Statutes 1990, sections 290.01, by adding a subdivision; 302A.011, subdivision 19; 302A.115, subdivision 1; 302A.121, subdivision 2; 302A.601, by adding a subdivision; 308A.005, subdivision 6; 308A.121, subdivision 1; 317A.011, subdivision 16; 317A.115, subdivision 2; 319A.02, subdivision 5, and by adding a subdivision; 319A.03; 319A.05; 319A.06, subdivision 2; 319A.07; 319A.12, subdivisions 1a and 2; 319A.20; 322A.01; 322A.02; 333.001; 333.18, subdivision 2; 333.20, subdivision 2; and 333.21, subdivision 1; Minnesota Statutes 1991 Supplement, sections 290.06, subdivision 22; 302A.471, subdivision 1; and 500.24, subdivision 3; proposing coding for new law as Minnesota Statutes, chapter 322B.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 1985, A bill for an act relating to the environment; providing protection from liability for releases of hazardous substances to persons not otherwise liable who undertake and complete cleanup actions under an approved cleanup plan; providing for submission and approval of cleanup plans and supervision of cleanup by the commissioner of the pollution control agency; authorizing the commissioner of the pollution control agency to issue determinations or enter into agreements with property owners near the source of releases of hazardous substances regarding future cleanup liability; appropriating money; amending Minnesota Statutes 1990, section 115B.17, subdivision 14; proposing coding for new law in Minnesota Statutes, chapter 115B.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1990, section 115B.17, subdivision 14, is amended to read:

Subd. 14. [REQUESTS FOR REVIEW, INVESTIGATION, AND OVERSIGHT.] (a) The commissioner may, upon request, assist a person in determining whether real property has been the site of a release or threatened release of a hazardous substance, pollutant, or contaminant. The commissioner may also assist in, or supervise, the development and implementation of reasonable and necessary response actions. Assistance may include review of agency records and files, and review and approval of a requester's investigation plans and reports and response action plans and implementation.

(b) The person requesting assistance under this subdivision shall pay the agency for the agency's cost, as determined by the commissioner, of providing assistance. Money received by the agency for assistance under this section must be deposited in the environmental response, compensation, and compliance fund.

(c) When a person investigates a release or threatened release in accordance with an investigation plan approved by the commissioner under this subdivision, the investigation does not associate that person with the release or threatened release for the purpose of section 115B.03, subdivision 3, paragraph (d).

Sec. 2. [115B.175] [VOLUNTARY RESPONSE ACTIONS; LIABILITY PROTECTION; PROCEDURES.]

Subdivision 1. [PROTECTION FROM LIABILITY; SCOPE.] (a) Subject to the provisions of this section, a person who is not otherwise responsible under sections 115B.01 to 115B.18 for a release or threatened release will not be responsible under those sections for the release or threatened release if the person undertakes and completes response actions to remove or remedy all known releases and threatened releases at an identified area of real property in accordance with a voluntary response action plan approved by the commissioner.

(b) The liability protection provided under this subdivision applies to releases or threatened releases at the identified property that are not required to be removed or remedied by the approved voluntary response action plan if the requirements of subdivision 2 are met.

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

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

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

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

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

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

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

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

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

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

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

the releases and threatened releases at the identified area of real property have been adequately identified and evaluated in the investigation report.

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

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

Subd. 4. [PERFORMANCE OF RESPONSE ACTIONS DOES NOT ASSOCIATE PERSONS WITH RELEASE.] Persons specified in subdivision 6 do not associate themselves with any release or threatened release identified in an approved voluntary response action plan for the purpose of section 115B.03, subdivision 3, paragraph (d), as a result of performance of the response actions required in accordance with the plan and the direction of the commissioner. This subdivision does not apply to a person specified in subdivision 7. Nothing in this section relieves a person of any liability for failure to exercise due care in performing a response action.

Subd. 5. [CERTIFICATION OF COMPLETION OF RESPONSE ACTIONS.] (a) Response actions taken under an approved voluntary response action plan are not completed until the commissioner certifies completion in writing.

(b) Certification of completion of response actions taken under a voluntary response action plan that does not require removal or remedy of all releases and threatened releases is subject to compliance by the owner, and the owner's successors and assigns, with the terms of the agreement required under subdivision 2, paragraph (a), clause (3).

Subd. 6. [PERSONS PROTECTED FROM LIABILITY.] In addition to the person who undertakes and completes response actions, and subject to the provisions of subdivision 7, the liability protection provided by this section applies to the following persons when the commissioner issues the certificate of completion of response actions under subdivision 5:

(1) the owner of the identified property, if the owner is not responsible for any release or threatened release identified in the approved voluntary response action plan;

(2) a person providing financing to the person who undertakes and completes the response actions, or who acquires or develops the identified property; and

(3) a successor or assign of any person to whom the liability protection applies.

Subd. 7. [PERSONS NOT PROTECTED FROM LIABILITY.] The protection from liability provided by this section does not apply to:

(1) a person who aggravates or contributes to a release or threatened release that was not remedied under an approved voluntary response action plan;

(2) a person who was responsible under sections 115B.01 to 115B.18 for a release or threatened release identified in the approved voluntary response action plan before taking an action that would have made the person subject to the protection under subdivision 6; or

(3) a person who obtains approval of a voluntary response action plan for purposes of this section by fraud or misrepresentation, or by knowingly failing to disclose material information, or who knows that approval was so obtained before taking an action that would have made the person subject to the protection under subdivision 6.

Subd. 8. [OTHER RIGHTS AND AUTHORITIES NOT AFFECTED.] Nothing in this section affects the authority of the agency or commissioner to exercise any powers or duties under this chapter or other law with respect to any release or threatened release, or the right of the agency, the commissioner, or any other person to seek any relief available under this chapter against any party who is not subject to the liability protection provided under this section.

Sec. 3. [115B.177] [OWNER OF REAL PROPERTY AFFECTED BY OFF-SITE RELEASE.]

Subdivision 1. [DETERMINATION OR AGREEMENT BY COMMISSIONER.] (a) The commissioner may issue a written determination or enter into an agreement to take no action under sections 115B.01 to 115B.18 against a person who owns real property subject to a release of a hazardous substance, or pollutant or contaminant, if the commissioner finds that the release originates from a source on adjacent or nearby real property and that the person is not otherwise responsible for the release.

(b) A determination issued or agreement entered into under this section must be conditioned upon the following:

(1) agreement by the person to allow entry upon the property to

the commissioner and the authorized representatives of the commissioner to take response actions to address the release, including in appropriate cases an agreement to grant easements to the state for that purpose;

(2) agreement by the person to avoid any interference with the response actions to address the release taken by or at the direction of the agency or the commissioner, and to avoid actions that contribute to the release;

(3) invalidation of the determination or agreement if the commissioner receives new information indicating that the property owned by the person is a source of the release or that the person is otherwise responsible for the release; and

(4) any other condition that the commissioner deems reasonable and necessary to ensure that the agency and commissioner can adequately respond to the release.

Subd. 2. [SCOPE AND EFFECT OF DETERMINATION OR AGREEMENT.] (a) A determination issued or agreement entered into under this section may extend to the successors and assigns of the person to whom it originally applies, if the successors and assigns are not otherwise responsible for the release and are bound by the conditions in the determination or agreement.

(b) Issuance of a determination or execution of an agreement under this section does not affect the authority of the agency or commissioner to take any response action under sections 115B.01 to 115B.18 with respect to the release subject to the determination or agreement, or to take administrative or judicial action under those sections with respect to persons not bound by the determination or agreement.

Sec. 4. [PROPERTY TRANSFER PROGRAM; POLLUTION CONTROL AGENCY; COMPLEMENT AND APPROPRIATION.]

Subdivision 1. [COMPLEMENT.] The complement of the pollution control agency is increased by .. positions for the purpose of providing assistance under Minnesota Statutes, section 115B.17, subdivision 14, including assistance to carry out the provisions of section 1.

Subd. 2. [APPROPRIATION.] \$...... is appropriated to the pollution control agency from the environmental response, compensation, and compliance account for the biennium ending June 30, 1993, for the purpose of providing assistance as specified in subdivision 1.

Sec. 5. [SHORT TITLE.]

This act may be referred to as the "land recycling act of 1992."

## Sec. 6. [EFFECTIVE DATE; APPLICATION.]

This act is effective the day following final enactment. Section 3 applies to a determination issued or an agreement entered into by the commissioner of the pollution control agency prior to its effective date if the determination or agreement meets the requirements of that section.

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 1991, A bill for an act relating to the environment; changing provisions relating to waste tires; appropriating money; amending Minnesota Statutes 1990, sections 115A.90, by adding a subdivision; 115A.908, subdivision 3; 115A.912; 115A.913; and 115A.914.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1990, section 115A.90, is amended by adding a subdivision to read:

Subd. 2a. [AGENCY.] “Agency” means the pollution control agency.

Sec. 2. Minnesota Statutes 1990, section 115A.908, subdivision 3, is amended to read:

Subd. 3. [REPEALER.] This section is repealed on December 31, ~~1994~~ 1998.

Sec. 3. Minnesota Statutes 1990, section 115A.912, is amended to read:

115A.912 [WASTE TIRE MANAGEMENT.]

Subdivision 1. [PURPOSE.] Money appropriated to the ~~office~~ agency for waste tire management may be spent for elimination of health and safety hazards of tire dumps and collection sites, tire dump abatement, collection, management and clean up of waste

tires, regulation of permitted waste tire facilities, research and studies to determine the technical and economic feasibility of uses for tire derived products, public education on waste tire management, and grants and loans under section 115A.913.

Subd. 2. [PRIORITIES FOR SPENDING.] (a) The office agency shall apply the following criteria to establish priorities for abatement:

(1) tire dumps or collection sites determined by the office agency to contain more than 1,000,000 tires;

(2) abatement of fire hazard nuisances;

(3) abatement of nuisance in densely populated areas; and

(4) collection and clean up of waste tires including abatement of tire dumps.

(b) The agency may award grants and loans only for projects that:

(1) use waste tire derived products in the generation of new products; or

(2) utilize the unique physical properties of waste tire derived products.

In awarding grants and loans, the agency shall give priority to projects that have reasonable potential to use a relatively greater number of waste tires and shall give priority to projects described in clause (1) over projects described in clause (2).

Subd. 3. [CONTRACTS WITH COUNTIES.] The office agency may contract with counties for the abatement of waste tire nuisances and may reimburse a county for up to 85 percent of the cost of abatement. A contract with a county for abatement of waste tire nuisances must incorporate a plan approved by the office agency that provides for the removal and processing of the waste tires in a manner consistent with office agency standards and ongoing office agency abatement activities. A county may recover by civil action its part of abatement costs from the tire collector responsible for a nuisance.

Sec. 4. Minnesota Statutes 1990, section 115A.913, is amended to read:

#### 115A.913 [WASTE TIRE PROGRAMS.]

Subdivision 1. [LOANS AND GRANTS.] (a) The office agency may make loans to waste tire processing businesses for the capital costs of land, buildings, equipment, and other capital improvements



needed for the construction or betterment of waste tire processing facilities, and for the capital cost of equipment needed to transport waste tires to a waste tire processing facility. The office agency may also make loans to businesses that use waste tire derived products in manufacturing processes, for the capital costs of land, buildings, and equipment used in the manufacturing process.

(b) The office agency may make grants for:

(1) studies necessary to demonstrate the technical and economic feasibility of a proposed waste tire processing project, or of a proposed use for waste tire derived products in a manufacturing process;

(2) development of advertising and promotional materials for waste tire derived products;

(3) business development activities relating to waste tire derived products; and

(4) obtaining patents for waste tire derived products.

A grant may not exceed ~~\$30,000~~ \$50,000 and may not exceed 75 percent of the costs of a study the funded project. A grant agreement entered into by the agency may include, where appropriate, provisions allowing the state to receive a portion of the royalties or other revenues generated by a waste tire derived product.

Subd. 1a. [APPROPRIATION; REVOLVING ACCOUNT.] All payments of principal and interest on loans made under this section must be deposited in the state treasury and credited to a special account. Money in the account is appropriated to the agency to make loans under subdivision 1.

Subd. 2. [COLLECTION AND TRANSPORTATION.] The office agency may make grants to local government units for the cost of establishing waste tire collection sites. Grants may be used for the capital costs of land, structures, and equipment needed to establish waste tire collection sites, and to collect and transport waste tires. A grant may not exceed 50 percent of the cost to a local government unit to establish a waste tire collection site.

Subd. 3. [FEASIBILITY STUDIES.] The office agency may conduct research and studies to determine the technical and economic feasibility and environmental impacts of uses for waste tire derived products.

Subd. 4. [PUBLIC EDUCATION.] The office agency may conduct a program to inform the public about proper handling and opportunities for processing of waste tires consistent with section 115A.072.

Subd. 5. [REPORT.] By November 15 of each year, the office agency shall prepare and submit to the legislative commission on waste management a progress report of the office's agency's operations and activities under sections 115A.90 to 115A.914.

Sec. 5. Minnesota Statutes 1990, section 115A.914, is amended to read:

115A.914 [ADMINISTRATION; COUNTY PLANNING AND ORDINANCES.]

Subdivision 1. [REGULATORY AND ENFORCEMENT POWERS.] For purposes of implementing and enforcing the waste tire programs in sections 115A.90 to 115A.914, the office agency may exercise the regulatory and enforcement powers of the agency under chapters 115 and 116.

Subd. 2. [OFFICE AGENCY RULES.] The office agency shall adopt rules for administration of waste tire collector and processor permits, waste tire nuisance abatement, and waste tire collection.

Subd. 3. [COUNTY PLANNING; ORDINANCES.] Counties shall include collection and processing of waste tires in the solid waste management plan prepared under sections 115A.42 to 115A.46 and shall adopt ordinances under sections 400.16 and 473.811 for management of waste tires that embody, but may be more restrictive than, office agency rules.

Sec. 6. [APPROPRIATION.]

\$...... is appropriated from the ..... fund to the commissioner of transportation for the project described in Laws 1991, chapter 254, article 1, section 14, subdivision 13, paragraph (b).

Sec. 7. [REPEALER.]

Minnesota Statutes 1990, section 115A.913, subdivision 3, is repealed.

Sec. 8. [EFFECTIVE DATE.]

Sections 1 to 5 are effective the day following final enactment. Section 6 is effective July 1, 1992.

Delete the title and insert:

“A bill for an act relating to the environment; changing provisions relating to waste tires; appropriating money; amending Minnesota Statutes 1990, sections 115A.90, by adding a subdivision; 115A.908,

subdivision 3; 115A.912; 115A.913; and 115A.914; repealing Minnesota Statutes 1990, section 115A.913, subdivision 3.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Osthoff from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 2043, A bill for an act relating to commerce; consumer protection; regulating the sale of dogs and cats by pet dealers; prescribing penalties; providing remedies; proposing coding for new law in Minnesota Statutes, chapter 325F.

Reported the same back with the following amendments:

Page 2, line 1, after “condition” insert “which would impair the health or function of the animal”

Page 2, line 20, delete “problems” and insert “problem”

Page 3, line 17, delete “ill” and after “animal” insert “with a health problem”

Page 3, line 33, delete “is ill due to a disease” and insert “has a health problem”

Page 4, line 4, delete “disease” and insert “health problem”

Page 4, line 12, delete “illness” and insert “a health problem” and delete the second “the”

Page 4, line 31, delete “exposure to” and insert “a” and after “disease” insert “contracted”

Page 5, line 10, delete “initial” and delete “but shall have the” and insert “or autopsy. The pet dealer has a”

Page 5, line 11, delete “unless” and insert “if” and after “is” insert “not”

Page 6, after line 32, insert:

“Sec. 4. [EFFECTIVE DATE.]

This act is effective December 1, 1992."

With the recommendation that when so amended the bill pass.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 2121, A bill for an act relating to education; making technical changes on programs administered by the department of education; amending Minnesota Statutes 1990, sections 121.935, by adding a subdivision; 123.35, by adding a subdivision; 124A.22, by adding subdivisions; 124A.23, subdivision 3; 124A.26, subdivision 2; and 275.125, by adding a subdivision; Minnesota Statutes 1991 Supplement, sections 120.17, subdivision 7a; 124.155, subdivision 2; 124.19, subdivision 1; 124.2727, subdivision 6; 124A.03, subdivision 2; 124A.23, subdivision 4; and 124A.24; Laws 1991, chapter 265, articles 7, section 37, subdivision 6; and 9, section 76; repealing Minnesota Statutes 1990, section 124A.23, subdivision 2a; Minnesota Statutes 1991 Supplement, sections 121.935, subdivision 7; 123.35, subdivision 19; and 124.646, subdivision 2; Laws 1991, chapter 265, articles 2, section 18; 3, section 36; 5, section 17; and 6, section 60.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

## "ARTICLE 1 GENERAL EDUCATION

Section 1. Minnesota Statutes 1991 Supplement, section 121.904, subdivision 4a, is amended to read:

Subd. 4a. [LEVY RECOGNITION.] (a) "School district tax settlement revenue" means the current, delinquent, and manufactured home property tax receipts collected by the county and distributed to the school district, including distributions made pursuant to section 279.37, subdivision 7, and excluding the amount levied pursuant to sections 124.2721, subdivision 3; 124.575, subdivision 3; and 275.125, subdivision 9a; and Laws 1976, chapter 20, section 4.

(b) In June of each year, the school district shall recognize as revenue, in the fund for which the levy was made, the lesser of:

(1) the May, June, and July school district tax settlement revenue received in that calendar year; or

(2) the sum of the state aids and credits enumerated in section 124.155, subdivision 2, which are for the fiscal year payable in that fiscal year plus ~~37.0~~ an amount equal to the levy recognized as revenue in June of the prior year plus 50.0 percent of the amount of the levy certified in the prior calendar year according to section 124A.03, subdivision 2, plus or minus auditor's adjustments, not including levy portions that are assumed by the state; or

(3) ~~37.0~~ 50.0 percent of the amount of the levy certified in the prior calendar year, plus or minus auditor's adjustments, not including levy portions that are assumed by the state, which remains after subtracting, by fund, the amounts levied for the following purposes:

(i) reducing or eliminating projected deficits in the reserved fund balance accounts for unemployment insurance and bus purchases;

(ii) statutory operating debt pursuant to section 275.125, subdivision 9a, and Laws 1976, chapter 20, section 4; and

(iii) retirement and severance pay pursuant to sections 124.2725, subdivision 15, 124.4945, and 275.125, subdivisions 4 and 6a, and Laws 1975, chapter 261, section 4; and

(iv) amounts levied for bonds issued and interest thereon, amounts levied for debt service loans and capital loans, amounts levied for down payments under section 124.82, subdivision 3, and amounts levied pursuant to section 275.125, subdivision 14a.

(c) In July of each year, the school district shall recognize as revenue that portion of the school district tax settlement revenue received in that calendar year and not recognized as revenue for the previous fiscal year pursuant to clause (b).

(d) All other school district tax settlement revenue shall be recognized as revenue in the fiscal year of the settlement. Portions of the school district levy assumed by the state, including prior year adjustments and the amount to fund the school portion of the reimbursement made pursuant to section 273.425, shall be recognized as revenue in the fiscal year beginning in the calendar year for which the levy is payable.

Sec. 2. Minnesota Statutes 1991 Supplement, section 121.904, subdivision 4e, is amended to read:

Subd. 4e. [COOPERATION LEVY RECOGNITION.] (a) A cooperative district is a district or cooperative that receives revenue according to section 124.2721 or 124.575.

(b) In June of each year, the cooperative district shall recognize as revenue, in the fund for which the levy was made, the lesser of:

(1) the sum of the state aids and credits enumerated in section 124.155, subdivision 2, that are for the fiscal year payable in that fiscal year plus an amount equal to the levy recognized as revenue in June of the prior year; or

(2) ~~37.0~~ 50.0 percent of the difference between

(i) the sum of the amount of levies certified in the prior year according to sections 124.2721, subdivision 3, and 124.575, subdivision 3; and

(ii) the amount of ~~transition homestead and agricultural credit aid~~ paid to the cooperative unit according to section 273.1392 for the fiscal year to which the levy is attributable.

Sec. 3. Minnesota Statutes 1990, section 122.531, subdivision 2, is amended to read:

Subd. 2. [VOLUNTARY DISSOLUTION; REFERENDUM LEVIES REVENUE.] As of the effective date of the voluntary dissolution of a district and its attachment to one or more existing districts pursuant to section 122.22, the authorization for all referendum levies revenues previously approved by the voters of all affected districts for those districts pursuant to section 124A.03, subdivision 2, or its predecessor provision, is canceled. However, if all of the territory of any independent district is included in the enlarged district, and if the adjusted net tax capacity of taxable property in that territory comprises 90 percent or more of the adjusted net tax capacity of all taxable property in an enlarged district, ~~the board of the enlarged district may levy the increased amount~~ district's referendum revenue equals the net tax capacity rate previously approved by a referendum in the preexisting independent district upon all taxable property times the previous year's net tax capacity in the enlarged district. Any new referendum levy revenue shall be ~~certified~~ authorized only after approval is granted by the voters of the entire enlarged district in an election pursuant to section 124A.03, subdivision 2.

Sec. 4. Minnesota Statutes 1990, section 122.531, subdivision 2a, is amended to read:

Subd. 2a. [CONSOLIDATION; MAXIMUM AUTHORIZED REFERENDUM LEVIES REVENUES.] As of the effective date of a consolidation pursuant to section 122.23, if the plan for consolidation so provides, or if the plan for consolidation makes no provision concerning referendum levies revenues, the authorization for all referendum levies revenues previously approved by the voters of all

affected districts for those districts pursuant to section 124A.03, subdivision 2, or its predecessor provision shall be recalculated as provided in this subdivision. The referendum levy revenue authorization for the newly created district shall be the local net tax capacity rate that would raise an amount equal to the combined dollar amount of the referendum levies revenues authorized by each of the component districts for the year preceding the consolidation, unless the referendum levy revenue authorization of the newly created district is subsequently modified pursuant to section 124A.03, subdivision 2. If the referendum levy revenue authorizations for each of the component districts were limited to a specified number of years, the referendum levy revenue authorization for the newly created district shall continue for a period of time equal to the longest period authorized for any component district. If the referendum levy revenue authorization of any component district is not limited to a specified number of years, the referendum levy revenue authorization for the newly created district shall not be limited to a specified number of years.

Sec. 5. Minnesota Statutes 1990, section 122.531, subdivision 2b, is amended to read:

Subd. 2b. [ALTERNATIVE METHOD.] As of the effective date of a consolidation pursuant to section 122.23, if the plan for consolidation so provides, the authorization for all referendum levies revenues previously approved by the voters of all affected districts for those districts pursuant to section 124A.03, subdivision 2, or its predecessor provision shall be combined as provided in this subdivision. The referendum levy revenue authorization for the newly created district may be any local net tax capacity rate provided in the plan for consolidation, but may not exceed the local net tax capacity rate that would raise an amount equal to the combined dollar amount of the referendum levies revenues authorized by each of the component districts for the year preceding the consolidation. If the referendum levy revenue authorizations for each of the component districts were limited to a specified number of years, the referendum levy revenue authorization for the newly created district shall continue for a period of time equal to the longest period authorized for any component district. If the referendum levy revenue authorization of any component district is not limited to a specified number of years, the referendum levy revenue authorization for the newly created district shall not be limited to a specified number of years. The referendum levy revenue authorization for the newly created district may be modified pursuant to section 124A.03, subdivision 2.

Sec. 6. Minnesota Statutes 1991 Supplement, section 124.155, subdivision 2, is amended to read:

Subd. 2. [ADJUSTMENT TO AIDS.] (a) The amount specified in

subdivision 1 shall be used to adjust the following state aids and credits in the order listed:

~~(a)~~ (1) general education aid authorized in sections 124A.23 and 124B.20;

~~(b)~~ (2) secondary vocational aid authorized in section 124.573;

~~(c)~~ (3) special education aid authorized in section 124.32;

~~(d)~~ (4) secondary vocational aid for handicapped children authorized in section 124.574;

~~(e)~~ (5) aid for pupils of limited English proficiency authorized in section 124.273;

~~(f)~~ (6) transportation aid authorized in section 124.225;

~~(g)~~ (7) community education programs aid authorized in section 124.2713;

~~(h)~~ (8) adult education aid authorized in section 124.26;

~~(i)~~ (9) early childhood family education aid authorized in section 124.2711;

~~(j)~~ (10) capital expenditure aid authorized in sections 124.243, 124.244, and 124.83;

~~(k)~~ (11) education district aid according to section 124.2721;

~~(l)~~ (12) secondary vocational cooperative aid according to section 124.575;

~~(m)~~ (13) assurance of mastery aid according to section 124.311;

~~(n)~~ (14) individual learning and development aid according to section 124.331;

~~(o)~~ (15) homestead credit under section 273.13 for taxes payable in 1989 and additional homestead and agricultural credit guarantee under section 273.1398, subdivision 5, for taxes payable in 1990 and thereafter;

~~(p)~~ (16) agricultural credit under section 273.132 for taxes payable in 1989 and additional homestead and agricultural credit guarantee under section 273.1398, subdivision 5, for taxes payable in 1990 and thereafter;



(e) (17) homestead and agricultural credit aid and disparity reduction aid authorized in section 273.1398, subdivision 2; and

(18) attached machinery aid authorized in section 273.138, subdivision 3; and

(19) alternative delivery aid authorized in section 124.322.

(b) The commissioner of education shall schedule the timing of the adjustments to state aids and credits specified in subdivision 1, as close to the end of the fiscal year as possible.

Sec. 7. [124.197] [SHORT-TERM BORROWING COST REIMBURSEMENT AID.]

Subdivision 1. [FROM 1993 AND THEREAFTER.] Beginning in fiscal year 1993, the commissioner of education shall pay aid to eligible school districts to reimburse them for costs of short-term borrowing.

Subd. 2. [DOCUMENTATION.] Short-term borrowing cost reimbursement aid shall only be paid to a school district providing documentation to the commissioner of education demonstrating that it engaged in short-term borrowing during the fiscal year for which it is requesting reimbursement. The commissioner shall determine and define specific data that districts must provide and establish the due date for submission. Any district not submitting required data by the due date will be excluded from the aid calculations for that year.

Subd. 3. [DEFINITION.] For purposes of this section, "cash need" equals the difference between estimated cumulative expenditures and estimated cumulative receipts calculated in a manner consistent with sections 124.155 and 124.195, less the amount of cash balance determined according to section 124.196.

Subd. 4. [COMPUTATION.] The maximum short-term borrowing cost reimbursement aid for a fiscal year shall be the smaller of:

(1) documented short-term borrowing costs; or

(2) the sum of the products of:

(i) a semimonthly short-term borrowing interest rate estimated by the commissioner of finance, times

(ii) the positive semimonthly differences between:

(a) the cash need estimated in a manner consistent with sections 124.155 and 124.195, assuming the revenue recognition percent

specified in section 121.904, subdivisions 4a and 4e, is 50 percent; and the schedules and criteria for aid and credit payments in section 124.195; and

(b) the cash need estimated in a manner consistent with sections 124.155 and 124.195, assuming the revenue recognition percent specified in section 121.904, subdivision 4a, is 37 percent; the schedules and criteria for aid and credit payments in section 124.195. The cash need calculations required for determining the short-term borrowing cost reimbursement aid are to be based on the data used in accordance with the state aid payment calculations required by section 124.195 for the May 30 payment period. The commissioner of education may adjust the May 30 data for updated information as is appropriate.

Subd. 5. [PAYMENT.] The short-term borrowing cost reimbursement aid shall be paid in full to eligible districts on or before June 30 of each fiscal year.

Subd. 6. [APPROPRIATION.] There is annually appropriated to the commissioner of education the amount needed to pay short-term borrowing cost reimbursement aid as established in this section.

Sec. 8. Minnesota Statutes 1990, section 124.73, subdivision 1, is amended to read:

Subdivision 1. The board of any school district may borrow money upon negotiable tax anticipation certificates of indebtedness, in the manner and subject to the limitations set forth in sections 124.71 to 124.76, for the purpose of anticipating general taxes theretofore levied by the district for school purposes, but the aggregate of such borrowing under this subdivision shall never exceed 50 75 percent of such taxes which are due and payable in the calendar year, and as to which taxes no penalty for nonpayment or delinquency has attached. In determining the amount of taxes due and payable in the calendar year, any amounts paid by the state to replace such taxes, whether paid in that calendar year or not, shall be included.

Sec. 9. Minnesota Statutes 1991 Supplement, section 124A.03, subdivision 1c, is amended to read:

Subd. 1c. [REFERENDUM ALLOWANCE LIMIT.] Notwithstanding subdivision 1b, a district's referendum allowance must not exceed the greater of:

- (1) the district's referendum allowance for fiscal year 1992; or
- (2) 35 30 percent of the formula allowance for that fiscal year.

Sec. 10. Minnesota Statutes 1991 Supplement, section 124A.03, subdivision 2, is amended to read:

Subd. 2. [REFERENDUM REVENUE.] (a) The revenue authorized by section 124A.22, subdivision 1, may be increased in the amount approved by the voters of the district at a referendum called for the purpose. The referendum may be called by the school board or shall be called by the school board upon written petition of qualified voters of the district. Unless the referendum is conducted by mail under paragraph (g), the referendum must be held on the first Tuesday after the first Monday in November. The ballot shall state the maximum amount of the increased revenue per actual pupil unit, the estimated net referendum tax capacity rate as a percentage of market value in the first year it is to be levied, and that the revenue shall be used to finance school operations. The ballot may state that existing referendum levy authority is expiring. In this case, the ballot may also compare the proposed levy authority to the existing expiring referendum levy authority, and express the proposed increase as the amount, if any, over the expiring referendum levy authority. The ballot shall designate the specific number of years, not to exceed five, for which the referendum authorization shall apply. The ballot may contain a textual portion with the information required in this subdivision and a question stating substantially the following:

“Shall the increase in the revenue proposed by (petition to) the board of ....., School District No. ..., be approved?”

If approved, an amount equal to the approved revenue per actual pupil unit times the actual pupil units for the school year beginning in the year after the levy is certified shall be authorized for certification for the number of years approved, if applicable, or until revoked or reduced by the voters of the district at a subsequent referendum.

(b) The school board shall prepare and deliver by first class mail at least 15 days but no more than 30 days prior to the day of the referendum to each taxpayer at the address listed on the school district's current year's assessment roll, a notice of the referendum and the proposed revenue increase. For the purpose of giving mailed notice under this subdivision, owners shall be those shown to be owners on the records of the county auditor or, in any county where tax statements are mailed by the county treasurer, on the records of the county treasurer. Every property owner whose name does not appear on the records of the county auditor or the county treasurer shall be deemed to have waived this mailed notice unless the owner has requested in writing that the county auditor or county treasurer, as the case may be, include the name on the records for this purpose. The notice must project the anticipated amount of tax increase in annual dollars and annual percentage for typical residential home-

steads, agricultural homesteads, apartments, and commercial-industrial property within the school district.

The notice for a referendum may state that an existing referendum levy is expiring and project the anticipated amount of increase over the existing referendum levy, if any, in annual dollars and annual percentage for typical residential homesteads, agricultural homesteads, apartments, and commercial-industrial property within the school district.

The notice must include the following statement: "Passage of this referendum will result in an increase in your property taxes."

(c) A referendum on the question of revoking or reducing the increased revenue amount authorized pursuant to paragraph (a) may be called by the school board and shall be called by the school board upon the written petition of qualified voters of the district. A referendum to revoke or reduce the levy amount must be based upon the dollar amount, local tax rate, or amount per actual pupil unit, that was stated to be the basis for the initial authorization. Revenue approved by the voters of the district pursuant to paragraph (a) must be received at least once before it is subject to a referendum on its revocation or reduction for subsequent years. Only one revocation or reduction referendum may be held to revoke or reduce referendum revenue for any specific year and for years thereafter.

(d) A petition authorized by paragraph (a) or (c) shall be effective if signed by a number of qualified voters in excess of 15 percent of the registered voters of the school district on the day the petition is filed with the school board. A referendum invoked by petition shall be held on the date specified in paragraph (a).

(e) The approval of 50 percent plus one of those voting on the question is required to pass a referendum authorized by this subdivision.

(f) At least 15 days prior to the day of the referendum, the district shall submit a copy of the notice required under paragraph (b) to the commissioner of education. Within 15 days after the results of the referendum have been certified by the school board, or in the case of a recount, the certification of the results of the recount by the canvassing board, the district shall notify the commissioner of education of the results of the referendum.

(g) Any referendum under this section held on a day other than the first Tuesday after the first Monday in November must be conducted by mail in accordance with section 204B.46. Notwithstanding paragraph (b) to the contrary, in the case of a referendum conducted by mail under this paragraph, the notice required by paragraph (b) shall be prepared and delivered by first class mail at least 20 days before the referendum.

Sec. 11. Minnesota Statutes 1991 Supplement, section 124A.03, subdivision 2a, is amended to read:

Subd. 2a. [SCHOOL REFERENDUM LEVY; MARKET VALUE.] Notwithstanding the provisions of subdivision 2, a school referendum levy approved after November 1, 1992, for taxes payable in 1993 and thereafter, shall be levied against the market value of all taxable property. Any referendum levy amount subject to the requirements of this subdivision shall be certified separately to the county auditor under section 275.07.

~~The ballot shall state the maximum amount of the increased levy as a percentage of market value, the amount that will be raised by that new school referendum tax rate in the first year it is to be levied, and that the new school referendum tax rate shall be used to finance school operations.~~

~~If approved, the amount provided by the new school referendum tax rate applied to the market value for the year preceding the year the levy is certified, shall be authorized for certification for the number of years approved, if applicable, or until revoked or reduced by the voters of the district at a subsequent referendum.~~

All other provisions of subdivision 2 that do not conflict with this subdivision shall apply to referendum levies under this subdivision.

Sec. 12. Minnesota Statutes 1991 Supplement, section 124A.03, is amended by adding a subdivision to read:

Subd. 2b. [REFERENDUM DATE.] In addition to the referenda allowed in subdivision 2, clause (g), the commissioner may authorize a referendum for a different day.

(a) The commissioner may grant authority to a district to hold a referendum on a different day based on the following district characteristics:

(1) the district is in statutory operating debt and has an approved plan or has received an extension from the department to file a plan to eliminate the statutory operating debt; or

(2) the district referendum levy authority expires in the coming year or has a documented hardship.

(b) The commissioner must approve, deny, or modify each district's request for a referendum levy on a different day within 60 days of receiving the request from a district.

Sec. 13. Minnesota Statutes 1990, section 124A.22, is amended by adding a subdivision to read:

Subd. 8a. [SUPPLEMENTAL LEVY.] To obtain supplemental revenue, a district may levy an amount not more than the product of its supplemental revenue for the school year times the lesser of one or the ratio of its general education levy to its general education revenue, excluding training and experience revenue and supplemental revenue, for the same year.

Sec. 14. Minnesota Statutes 1990, section 124A.22, is amended by adding a subdivision to read:

Subd. 8b. [SUPPLEMENTAL AID.] A district's supplemental aid equals its supplemental revenue minus its supplemental levy times the ratio of the actual amount levied to the permitted levy.

Sec. 15. Minnesota Statutes 1991 Supplement, section 124A.23, subdivision 1, is amended to read:

Subdivision 1. [GENERAL EDUCATION TAX RATE.] The commissioner of revenue shall establish the general education tax rate and certify it to the commissioner of education by July 1 of each year for levies payable in the following year. The general education tax capacity rate shall be a rate, rounded up to the nearest tenth of a percent, that, when applied to the adjusted net tax capacity for all districts, raises the amount specified in this subdivision. The general education tax rate shall be the rate that raises \$916,000,000 for fiscal year 1993 and ~~\$961,800,000~~ \$975,800,000 for fiscal year 1994 and later fiscal years. The general education tax rate certified by the commissioner of revenue may not be changed due to changes or corrections made to a district's adjusted net tax capacity after the tax rate has been certified.

Sec. 16. Minnesota Statutes 1990, section 124A.23, subdivision 3, is amended to read:

Subd. 3. [GENERAL EDUCATION LEVY; DISTRICTS OFF THE FORMULA.] If the amount of the general education levy for a district exceeds the district's general education revenue, excluding training and experience revenue and supplemental revenue, the amount of the general education levy shall be limited to the following:

(1) the district's general education revenue, excluding training and experience revenue and supplemental revenue; plus

(2) the amount of the aid reduction for the same school year according to section 124A.24; minus

(3) payments made for the same school year according to section 124A.035, subdivision 4.

For purposes of statutory cross-reference, a levy made according to this subdivision shall be construed to be the levy made according to subdivision 2.

Sec. 17. Minnesota Statutes 1991 Supplement, section 124A.23, subdivision 4, is amended to read:

Subd. 4. [GENERAL EDUCATION AID.] A district's general education aid is the sum of the following amounts:

(1) the product of (i) the difference between the general education revenue, excluding training and experience revenue and supplemental revenue, and the general education levy, times (ii) the ratio of the actual amount levied to the permitted levy;

(2) the product of (i) the difference between the supplemental revenue and the supplemental levy, times (ii) the ratio of the actual amount levied to the permitted levy training and experience aid according to section 124A.22, subdivision 4b;

(3) supplemental aid according to section 15;

(4) shared time aid according to section 124A.02, subdivision 21; and

(4) (5) referendum aid according to section 124A.03.

Sec. 18. Minnesota Statutes 1991 Supplement, section 124A.24, is amended to read:

#### 124A.24 [GENERAL EDUCATION LEVY EQUITY.]

If a district's general education levy is determined according to section 124A.23, subdivision 3, an amount must be deducted from state aid authorized in this chapter and chapters 124 and 124B, receivable for the same school year, and from other state payments receivable for the same school year authorized in chapter 273. The aid in section 124.646 must not be reduced.

The amount of the deduction equals the difference between:

(1) the general education tax rate, according to section 124A.23, times the district's adjusted net tax capacity used to determine the general education aid for the same school year; and

(2) the district's general education revenue, excluding training and experience revenue and supplemental revenue, for the same school year, according to section 124A.22.

However, for fiscal year 1992, the amount of the deduction shall be four-sixths of the difference between clauses (1) and (2); and for fiscal year 1993, the amount of the deduction shall be five-sixths of the difference between clauses (1) and (2).

Sec. 19. Minnesota Statutes 1991 Supplement, section 124A.26, subdivision 1, is amended to read:

Subdivision 1. [REVENUE REDUCTION.] A district's general education revenue for a school year shall be reduced if the estimated net unappropriated operating fund balance as of June 30 in the prior school year exceeds \$600 20 percent of the formula allowance under section 124A.22, subdivision 2, times the fund balance pupil units in the prior year. For purposes of this subdivision only and section 124.243, subdivision 2, fund balance pupil units means the number of resident pupil units in average daily membership, including shared time pupils, according to section 124A.02, subdivision 20, plus

(1) pupils attending the district for which general education aid adjustments are made according to section 124A.036, subdivision 5; minus

(2) the sum of the resident pupils attending other districts for which general education aid adjustments are made according to section 124A.036, subdivision 5, plus pupils for whom payment is made according to section 126.22, subdivision 8, or 126.23. The amount of the reduction shall equal the lesser of:

(1) the amount of the excess, or

(2) \$150 times the actual pupil units for the school year.

The final adjustment payments made under section 124.195, subdivision 6, must be adjusted to reflect actual net operating fund balances as of June 30 of the prior school year.

Sec. 20. Minnesota Statutes 1990, section 124A.26, is amended by adding a subdivision to read:

Subd. 1a. [ALTERNATIVE REDUCTION CALCULATION.] For any district where the ratio of (1) the number of nonpublic students ages 5 to 18, according to the report required under section 120.102, to (2) the total number of residents in the district ages 5 to 18 as counted according to the annual fall school census is greater than 40 percent, the district's net unappropriated operating fund balance for that year for the purpose of calculating the fund balance reduction under this section is equal to the sum of the district's net unappropriated fund balance in the general, transportation, and food service funds.



Sec. 21. Minnesota Statutes 1990, section 124A.26, subdivision 2, is amended to read:

Subd. 2. [LEVY REDUCTION.] If a district's general education revenue is reduced, the general education levy shall be reduced by the following amount:

(1) the reduction specified in subdivision 1, times

(2) the lesser of one or the ratio of the district's general education levy to its general education revenue, excluding training and experience revenue and supplemental revenue.

Sec. 22. Minnesota Statutes 1991 Supplement, section 124A.29, subdivision 1, is amended to read:

Subdivision 1. [STAFF DEVELOPMENT AND PARENTAL INVOLVEMENT PROGRAMS.] (a) Of a district's basic revenue under section 124A.22, subdivision 2, an amount equal to \$15 times the number of actual pupil units shall be reserved and may be used only to provide staff time for ~~peer review under section 125.12 or 125.17 or staff development programs for, including~~ outcome-based education, ~~according to under~~ section 126.70, subdivisions 1 and 2a. ~~Staff development revenue may be used only for staff time for peer review or outcome-based education activities.~~ The school board shall determine the staff development activities to provide, the manner in which they will be provided, and the extent to which other local funds may be used to supplement staff development activities ~~that implement outcome-based education.~~

(b) Of a district's basic revenue under section 124A.22, subdivision 2, an amount equal to \$5 times the number of actual pupil units must be reserved and may be used only to provide parental involvement programs that implement section 124C.61. A district may use up to \$1 of the \$5 times the number of actual pupil units for promoting parental involvement in the PER process.

Sec. 23. Minnesota Statutes 1991 Supplement, section 126.70, is amended to read:

#### 126.70 [STAFF DEVELOPMENT PLAN.]

Subdivision 1. [ELIGIBILITY FOR REVENUE.] A school board may use the revenue authorized in section 124A.29 ~~for staff time for peer review under section 125.12 or 125.17, or if it establishes an outcome-based~~ a staff development advisory committee and adopts a staff development plan ~~on outcome-based education according to under~~ this subdivision. A majority of the advisory committee must be teachers representing various grade levels and subject areas. The advisory committee must also include parents and administrators.

The advisory committee shall develop a staff development plan ~~containing proposed outcome-based education activities and that includes~~ related expenditures and shall submit the plan to the school board. If the school board approves the plan, the district may use the staff development revenue authorized in section 124A.29. Copies of approved plans must be submitted to the commissioner. Districts must submit approved plans to the commissioner.

Subd. 2. [CONTENTS OF THE PLAN.] The plan may include:

(1) procedures the district will use to analyze ~~outcome-based~~ education needs;

(2) integration methods for integrating education needs with in-service and curricular efforts already in progress;

(3) education goals to be achieved and the means to be used achieve the goals; and

(4) procedures for evaluating progress toward meeting education needs and goals.

Subd. 2a. [PERMITTED USES.] A school board may approve a plan to accomplish any of the following purposes:

(1) foster readiness for ~~outcome-based education by increasing knowledge and understanding of and commitment to outcome-based education learning~~;

(2) develop programs based on principles and strategies of outcome-based education, as defined in section 126.661, subdivision 7;

(3) facilitate organizational changes by enabling a site-based team composed of pupils, parents, school personnel, and community members to address pupils' needs through outcome-based education;

~~(3)~~ (4) develop programs to increase pupils' educational progress by developing appropriate outcomes and personal learning plans goals and by encouraging pupils and their parents to assume responsibility for their education;

(4) ~~(5)~~ design and develop outcome-based education programs containing various instructional opportunities that recognize pupils' individual needs and utilize family and community resources;

~~(5)~~ (6) evaluate the effectiveness of outcome-based education policies, processes, and products through appropriate evaluation procedures that include multiple criteria and indicators; and

(6) (7) provide staff time for peer review of probationary, continuing contract, and nonprobationary teachers; and

(8) create educational change and continuous improvement through initiatives that increase knowledge, understanding, and commitment to ensuring learning success.

Sec. 24. Minnesota Statutes 1990, section 275.125, is amended by adding a subdivision to read:

Subd. 23. [LEVY ADJUSTMENT FOR LAW CHANGES.] Whenever a change in law changes the levy authority for a school district or an intermediate school district for a fiscal year after the levy for that fiscal year has been certified by the district under section 275.07, the department of education shall adjust the next levy certified by the district by the amount of the change in levy authority for that fiscal year resulting from the change. Notwithstanding section 121.904, the entire amount of the levy adjustment must be recognized as revenue in the fiscal year the levy is certified, if sufficient levy resources are available under generally accepted accounting principles in the district fund where the adjustment is to occur. School districts that do not have sufficient levy resources available in the fund where the adjustment is to occur shall recognize in the fiscal year the levy is certified an amount equal to the levy resources available. The remaining adjustment amount shall be recognized as revenue in the fiscal year after the levy is certified.

Sec. 25. [LOW FUND BALANCE LEVY.]

(a) For 1992 taxes payable in 1993, a district meeting the qualifications in paragraph (b) may levy an amount not to exceed \$40 times the number of actual pupil units in the district in fiscal year 1993.

(b) a district qualifies for a levy under this section if:

(1) its net unappropriated operating fund balance on June 30, 1991, divided by its actual pupil units for fiscal year 1993 is less than \$85;

(2) its adjusted net tax capacity used to compute fiscal year 1993 general education revenue divided by its fiscal year 1993 actual pupil units is less than \$2,000; and

(3) it does not have referendum levy authority under Minnesota Statutes, section 124A.03.

Sec. 26. [REFERENDUM AMOUNT.]

Notwithstanding any law to the contrary, for taxes payable in

1993, 1994, and 1995 only, a school district's maximum referendum revenue authority is the greater of the amount allowed under Minnesota Statutes, section 124A.03, or the district's referendum revenue authority for taxes payable in 1992, less any amount of authority that expires because of a ballot limitation.

Sec. 27. [APPROPRIATION REDUCTIONS.]

For fiscal year 1993, appropriations to the department of education in Laws 1991, chapter 265, and appropriations for any property tax aid or credit paid to school districts from the state's general fund pursuant to Minnesota Statutes, chapter 273, shall be reduced by a combined total of \$185,700,000 in a manner consistent with Minnesota Statutes, section 124.155, subdivision 2.

Sec. 28. [LEVY RECOGNITION DIFFERENCES.]

For each school district that levies under Minnesota Statutes, section 124A.03, the commissioner of education shall calculate the difference between:

(1) the amount of the levy, under Minnesota Statutes, section 124A.03, that is recognized as revenue for fiscal year 1993 according to section 1; and

(2) the amount of the levy, under Minnesota Statutes, section 124A.03, that would have been recognized as revenue for fiscal year 1993 had the percentage according to section 1 not been increased.

The commissioner shall reduce other aids due the district by the amount of the difference.

Sec. 29. [EFFECTIVE DATES.]

Sections 1, 2, 6, 10, 11, and 12 are effective the day following final enactment. The amendment in the second sentence of section 19 is effective the day following final enactment and applies to 1991-1992 and later school years.

Section 20 is effective retroactively to July 1, 1990, and applies to 1990-1991 and later school years.

Sections 22 and 23 are effective for the 1992-1993 school year.

ARTICLE 2  
TRANSPORTATION

Section 1. Minnesota Statutes 1990, section 123.39, subdivision 8d, is amended to read:

Subd. 8d. School districts may provide bus transportation along regular school bus routes when space is available for participants in early childhood family education programs and learning readiness program if these services do not result in an increase in the district's expenditures for transportation. The costs allocated to these services, as determined by generally accepted accounting principles, shall be considered part of the authorized cost for regular transportation for the purposes of section 124.225.

Sec. 2. Minnesota Statutes 1990, section 275.125, is amended by adding a subdivision to read:

Subd. 5i. [TRANSPORTATION LEVY FOR LATE ACTIVITY BUS.] (a) A school district may levy an amount equal to the lesser of:

(1) the actual cost of late transportation home from school for pupils involved in after school activities for the school year beginning in the year the levy is certified; or

(2) two percent of the district's regular transportation revenue for that school year according to section 124.225, subdivision 7d, paragraph (a).

(b) Notwithstanding section 121.904, the amount of the levy authorized in this section shall be recognized as revenue in the fiscal year in which it is certified.

(c) A district that levies under this section must provide late transportation home from school for students participating in any academic-related activities provided by the district if transportation is provided for students participating in athletic activities.

ARTICLE 3  
SPECIAL PROGRAMS

Section 1. Minnesota Statutes 1990, section 120.17, subdivision 3a, is amended to read:

Subd. 3a. [SCHOOL DISTRICT OBLIGATIONS.] Every district shall ensure that:

(1) all handicapped children and youth with disabilities are

provided the special instruction and services which are appropriate to their needs. The student's needs and the special education instruction and services to be provided shall be agreed upon through the development of an individual education plan. The plan shall address the student's need to develop skills to live and work as independently as possible within the community. By grade 9 or age 14, the plan shall address the student's needs for transition from secondary services to post-secondary education and training, employment, and community participation, recreation, and leisure and home living. The plan must include a statement of the needed transition services including a statement of the interagency responsibilities or linkages or both before the student leaves the school setting;

(2) handicapped children under age five and their families are provided special instruction and services appropriate to the child's level of functioning and needs;

(3) handicapped children and their parents or guardians are guaranteed procedural safeguards and the right to participate in decisions involving identification, assessment and educational placement of handicapped children;

(4) to the maximum extent appropriate, handicapped children, including those in public or private institutions or other care facilities, are educated with children who are not handicapped, and that special classes, separate schooling, or other removal of handicapped children from the regular educational environment occurs only when and to the extent that the nature or severity of the handicap is such that education in regular classes with the use of supplementary services cannot be achieved satisfactorily;

(5) in accordance with recognized professional standards, testing and evaluation materials, and procedures utilized for the purposes of classification and placement of handicapped children are selected and administered so as not to be racially or culturally discriminatory; and

(6) the rights of the child are protected when the parents or guardians are not known or not available, or the child is a ward of the state.

Sec. 2. Minnesota Statutes 1991 Supplement, section 120.17, subdivision 3b, is amended to read:

Subd. 3b. [PROCEDURES FOR DECISIONS.] Every district shall utilize at least the following procedures for decisions involving identification, assessment, and educational placement of handicapped children:

(a) Parents and guardians shall receive prior written notice of:

(1) any proposed formal educational assessment or proposed denial of a formal educational assessment of their child;

(2) a proposed placement of their child in, transfer from or to, or denial of placement in a special education program; or

(3) the proposed provision, addition, denial or removal of special education services for their child;

(b) The district shall not proceed with the initial formal assessment of a child, the initial placement of a child in a special education program, or the initial provision of special education services for a child without the prior written consent of the child's parent or guardian. The refusal of a parent or guardian to consent may be overridden by the decision in a hearing held pursuant to clause (e) at the district's initiative;

(c) Parents and guardians shall have an opportunity to meet with appropriate district staff in at least one conciliation conference if they object to any proposal of which they are notified pursuant to clause (a). The conciliation process shall not be used to deny or delay a parent or guardian's right to a due process hearing. If the parent or guardian refuses efforts by the district to conciliate the dispute with the school district, the requirement of an opportunity for conciliation shall be deemed to be satisfied;

(d) The commissioner shall establish a mediation process to assist parents, school districts, or other parties to resolve disputes arising out of the identification, assessment, or educational placement of handicapped children. The mediation process must be offered as an informal alternative to the due process hearing provided under clause (e), but must not be used to deny or postpone the opportunity of a parent or guardian to obtain a due process hearing.

(e) Parents, guardians, and the district shall have an opportunity to obtain an impartial due process hearing initiated and conducted by and in the school district responsible for assuring that an appropriate program is provided in accordance with state board rules, if the parent or guardian continues to object to:

(1) a proposed formal educational assessment or proposed denial of a formal educational assessment of their child;

(2) the proposed placement of their child in, or transfer of their child to a special education program;

(3) the proposed denial of placement of their child in a special

education program or the transfer of their child from a special education program;

(4) the proposed provision or addition of special education services for their child; or

(5) the proposed denial or removal of special education services for their child.

At least five calendar days before the hearing, the objecting party shall provide the other party with a brief written statement of the objection and the reasons for the objection.

The hearing shall take place before an impartial hearing officer mutually agreed to by the school board and the parent or guardian. If the school board and the parent or guardian are unable to agree on a hearing officer, the school board shall request the commissioner to appoint a hearing officer. The hearing officer shall not be a school board member or employee of the school district where the child resides or of the child's school district of residence, an employee of any other public agency involved in the education or care of the child, or any person with a personal or professional interest which would conflict with the person's objectivity at the hearing. A person who otherwise qualifies as a hearing officer is not an employee of the district solely because the person is paid by the district to serve as a hearing officer. If the hearing officer requests an independent educational assessment of a child, the cost of the assessment shall be at district expense. The proceedings shall be recorded and preserved, at the expense of the school district, pending ultimate disposition of the action.

(f) The decision of the hearing officer pursuant to clause (e) shall be rendered not more than 45 calendar days from the date of the receipt of the request for the hearing. A hearing officer may grant specific extensions of time beyond the 45-day period at the request of either party. The decision of the hearing officer shall be binding on all parties unless appealed to the hearing review officer by the parent, guardian, or the school board of the district where the child resides pursuant to clause (g).

The local decision shall:

(1) be in writing;

(2) state the controlling facts upon which the decision is made in sufficient detail to apprise the parties and the hearing review officer of the basis and reason for the decision;

(3) state whether the special education program or special education services appropriate to the child's needs can be reasonably



provided within the resources available to the responsible district or districts;

(4) state the amount and source of any additional district expenditure necessary to implement the decision; and

(5) be based on the standards set forth in subdivision 3a and the rules of the state board.

(g) Any local decision issued pursuant to clauses (e) and (f) may be appealed to the hearing review officer within 30 calendar days of receipt of that written decision, by the parent, guardian, or the school board of the district responsible for assuring that an appropriate program is provided in accordance with state board rules.

If the decision is appealed, a written transcript of the hearing shall be made by the school district and shall be accessible to the parties involved within five calendar days of the filing of the appeal. The hearing review officer shall issue a final independent decision based on an impartial review of the local decision and the entire record within ~~60~~ 30 calendar days after the filing of the appeal. The hearing review officer shall seek additional evidence if necessary and may afford the parties an opportunity for written or oral argument; provided any hearing held to seek additional evidence shall be an impartial due process hearing but shall be deemed not to be a contested case hearing for purposes of chapter 14. The hearing review officer may grant specific extensions of time beyond the 30-day period at the request of any party.

The final decision shall:

(1) be in writing;

(2) include findings and conclusions; and

(3) be based upon the standards set forth in subdivision 3a and in the rules of the state board.

(h) The decision of the hearing review officer shall be final unless appealed by the parent or guardian or school board to the court of appeals. The judicial review shall be in accordance with chapter 14.

(i) The commissioner of education shall select an individual who has the qualifications enumerated in this paragraph to serve as the hearing review officer:

(1) the individual must be knowledgeable and impartial;

(2) the individual must not have a personal interest in or specific involvement with the student who is a party to the hearing;

(3) the individual must not have been employed as an administrator by the district that is a party to the hearing;

(4) the individual must not have been involved in the selection of the administrators of the district that is a party to the hearing;

(5) the individual must not have a personal, economic, or professional interest in the outcome of the hearing other than the proper administration of the federal and state laws, rules, and policies;

(6) the individual must not have substantial involvement in the development of a state or local policy or procedures that are challenged in the appeal; and

(7) the individual is not a current employee or board member of a Minnesota public school district, education district, intermediate unit or regional education agency, the state department of education, the state board of education, or a parent advocacy organization or group.

(j) In all appeals, the parent or guardian of the handicapped student or the district that is a party to the hearing may challenge the impartiality or competence of the proposed hearing review officer by applying to the state board of education.

(k) Pending the completion of proceedings pursuant to this subdivision, unless the district and the parent or guardian of the child agree otherwise, the child shall remain in the child's current educational placement and shall not be denied initial admission to school.

(l) The child's school district of residence, a resident district, and providing district shall receive notice of and may be a party to any hearings or appeals under this subdivision.

Sec. 3. Minnesota Statutes 1990, section 120.17, subdivision 8a, is amended to read:

Subd. 8a. [RESIDENCE OF CHILD UNDER SPECIAL CONDITIONS.] The legal residence of a handicapped child placed in a foster facility for care and treatment when: (1) parental rights have been terminated by court order; (2) parent or guardian is not living within the state; ~~or~~ (3) no other school district residence can be established, or (4) parent or guardian having legal custody of the child is an inmate of a Minnesota correctional facility or is a resident of a halfway house under the supervision of the commissioner of corrections; shall be the school district in which the child resides. The school board of the district of residence shall provide the same educational program for such child as it provides for all resident handicapped children in the district.

Sec. 4. Minnesota Statutes 1991 Supplement, section 120.17, subdivision 11a, is amended to read:

Subd. 11a. [STATE INTERAGENCY COORDINATING COUNCIL.] An interagency coordinating council of at least 15 members but not more than 25 is established, in compliance with Public Law Number 102-119, section 682. The members and the chair shall be appointed by the governor. Council members shall elect the council chairperson. The representative of the commissioner of education may not serve as the chairperson. The council shall be composed of at least three five parents, including persons of color, of children with disabilities under age seven with handicaps 12, including at least three parents of a child with a disability under age seven, three representatives of public or private providers of services for children with disabilities under age five with handicaps, including a special education director, county social service director, and a community health services or public health nursing administrator, one member of the senate, one member of the house of representatives, one representative of teacher preparation programs in early childhood-special education or other preparation programs in early childhood intervention, at least one representative of advocacy organizations for children with handicaps, at least one representative of a school district or a school district cooperative, and other members knowledgeable about children disabilities under age five with handicaps, one physician who cares for young children with special health care needs, one representative each from the commissioners of commerce, education, health, human services, and jobs and training, and a representative from Indian health services or a tribal council. Section 15.059, subdivisions 2 to 5, apply to the council. The council shall meet at least quarterly. A representative of each of the commissioners of education, health, and human services shall attend council meetings as a nonvoting member of the council.

The council shall address methods of implementing the state policy of developing and implementing comprehensive, coordinated, multidisciplinary interagency programs of early intervention services for children with handicaps disabilities and their families.

The duties of the council include recommending policies to ensure a comprehensive and coordinated system of all state and local agency services for children under age five with handicaps disabilities and their families. The policies must address how to incorporate each agency's services into a unified state and local system of multidisciplinary assessment practices, individual intervention plans, comprehensive systems to find children in need of services, methods to improve public awareness, and assistance in determining the role of interagency early intervention committees.

It is the joint responsibility of county boards and school districts to coordinate, provide, and pay for appropriate services, and to facilitate payment for services from public and private sources. Appro-

appropriate services must be determined in consultation with parents, physicians, and other educational, medical, health, and human services providers. Appropriate services include family education and counseling, home visits, occupational and physical therapy, speech pathology, audiology, psychological services, case management, medical services for diagnostic and evaluation purposes, early identification, and screening, assessment, and health services necessary to enable children with handicaps to benefit from early intervention services. School districts must be the primary agency in this cooperative effort.

Each year by January 15 June 1, the council shall submit its recommendations recommend to the governor and the commissioners of education, health, and human services, commerce, and jobs and training policies for a comprehensive and coordinated system.

Sec. 5. Minnesota Statutes 1990, section 120.17, is amended by adding a subdivision to read:

Subd. 11b. [RESPONSIBILITIES OF COUNTY BOARDS AND SCHOOL DISTRICTS.] It is the joint responsibility of county boards and school districts to coordinate, provide, and pay for appropriate early intervention services, and to facilitate payment for services from public and private sources. Appropriate services for eligible children under section 120.03 must be determined in consultation with parents, physicians, and other educational, medical, health, and human services providers. The services provided must conform with an individual family service plan (IFSP) for each eligible infant and toddler from birth through age two and their family, or an individual education plan or individual service plan for each eligible child between ages three and five. Appropriate early intervention services include family education and counseling, home visits, occupational and physical therapy, speech pathology, audiology, psychological services, service coordination, medical services for diagnostic and evaluation purposes, early identification and screening, child and family assessment, and health services necessary to enable children with disabilities and their families to benefit from early intervention services. School districts must be the primary agency in this cooperative effort.

Sec. 6. Minnesota Statutes 1990, section 120.17, subdivision 12, is amended to read:

Subd. 12. [INTERAGENCY EARLY INTERVENTION COMMITTEE.] A district, group of districts, or special education cooperative, in cooperation with the health and human service agencies located in the county or counties in which the district or cooperative is located, shall establish an interagency early intervention committee for handicapped children with disabilities under age five and their families. Members of the committee shall be representatives of local and regional health, education, and county human service agencies;

county boards; school boards; early childhood family education programs; current service providers; parents of young handicapped children with disabilities under age 12; and other private or public agencies. The committee shall elect a chair from among its members and shall meet at least quarterly. The committee shall perform the following ongoing duties:

(1) identify current services and funding being provided within the community for handicapped children with disabilities under the age of five and their families;

(2) establish and evaluate the identification, referral, child and family assessment systems, service coordination, procedural safeguards, and community learning systems to and recommend, where necessary, alterations and improvements;

(3) facilitate ~~the development of~~ developing individualized family service plans (IFSP's) for all eligible infants and toddlers with disabilities under section 120.03, from birth through age two and their families, or individual education plans and individual service plans when necessary to appropriately serve handicapped children under the age of with disabilities between ages three and five and their families and;

(4) recommend assignment of assigning financial responsibilities to the appropriate agencies;

(4) (5) implement a process for assuring that services involve cooperating agencies at all steps leading to individualized programs;

(5) (6) review and comment on the early intervention section of the total special education system for the district and on the county social services plan; and

(6) (7) facilitate ~~the development of~~ developing a transitional plan if a service provider is not recommended to continue to provide services.

The departments of education, health, and human services are encouraged to provide assistance to the assist local agencies in developing cooperative service plans for providing services.

Sec. 7. Minnesota Statutes 1990, section 120.17, subdivision 14, is amended to read:

Subd. 14. [MAINTENANCE OF EFFORT.] A county human services agency or county board shall continue to provide services set forth contained in their county social service agency plan for handicapped. The agency or board shall serve children with disabilities under age five and their families or as specified in the

individualized family service plan for children with disabilities from birth through age two or the individual service plan and individual habilitation plan of each child. Special instruction and services for which a handicapped child with a disability is eligible under this section are not the responsibility of the local human services agency or county board. It is the joint responsibility of county boards and school districts to coordinate, provide, and pay for appropriate services not required under this section and to facilitate payment for services from public and private sources. School districts and counties are encouraged to enter into agreements to cooperatively serve and provide funding for handicapped children under age five and their families.

Sec. 8. Minnesota Statutes 1990, section 120.17, is amended by adding a subdivision to read:

Subd. 15a. [PROCEDURAL SAFEGUARDS.] (a) This subdivision applies only to infants and toddlers with disabilities from birth through age two and their families. Notwithstanding other law to the contrary, the county boards and school districts providing early intervention services under subdivision 11b, including special education instructions and related services under subdivision 1 and medical assistance services under chapter 256B, shall provide parents, guardians, and surrogate parents of eligible children with the procedural safeguards described in this subdivision.

(b) The parent has the right to inspect and review early intervention records according to the Minnesota data practices act and Code of Federal Regulations, title 34, sections 300.560 to 300.576. A parent or guardian may inspect and review evaluations and assessments, eligibility determinations, documents about developing and implementing IFSP's, individual complaints about the child under subdivision 16, clause (6), and any other information about the child or family generated under this section.

(c) The parent has the right to prior notice of a proposed action in the parent's native language, according to Code of Federal Regulations, title 34, section 303.403.

(d) The parent has the opportunity to give consent to a proposed action, according to Code of Federal Regulations, title 34, section 303.404.

(e) An eligible child has the right to have a surrogate parent appointed, according to Code of Federal Regulations, title 34, section 303.405 and state board of education rules.

(f) The parent has the right to resolve any individual child complaint through mediation. If a parent and a public agency do not agree on the identification, evaluation, or placement of an eligible child, appropriate early intervention services, or the assignment of

financial obligations, the parent may request mediation services using the process established by the commissioner of education under subdivision 3b, paragraph (d). If the parent agrees to mediation, all public agencies involved in the matter shall participate in the mediation process. The parent and the public agencies must complete the mediation process within 20 days of the date the commissioner receives the request for mediation. The mediation process must not be used to delay a parent's right to an impartial complaint resolution process. The resolution of the mediation is not binding on any party.

The commissioner must assume the cost of the mediator and must use available federal funds for such expenditures.

(g) The parent has the right to resolve an individual child complaint through an impartial complaint resolution process, according to Code of Federal Regulations, title 34, sections 303.420 to 303.423.

(1) A parent may file a written complaint about an action of a public agency or service provider, according to Code of Federal Regulations, title 34, section 303.403.

(2) The written complaint shall:

(i) be signed by the parent or guardian;

(ii) describe the circumstances giving rise to the complaint; and

(iii) be filed with the school district and the commissioner.

(3) The commissioner shall confirm in writing to the parent and all other parties to the complaint within five working days that the commissioner received the complaint.

(4) The commissioner shall appoint an administrative law judge from the office of administrative hearings to conduct the complaint resolution procedure, according to Code of Federal Regulations, title 34, section 303.421.

(5) The complaint resolution procedure must be carried out according to Code of Federal Regulations, title 34, section 303.423.

(6) A parent involved in an administrative proceeding must be informed of the right to due process during the hearing, according to Code of Federal Regulations, title 34, section 303.422.

(7) The office of administrative hearings shall mail the written decision of the administrative law judge to each party to the complaint and to the commissioner not later than 30 days after the

commissioner receives the complaint. The decision of the administrative law judge is binding on all parties.

(8) An aggrieved party may appeal the decision of the administrative law judge by bringing a civil action in state or federal court, according to Code of Federal Regulations, title 34, section 303.425.

(9) The status of the services and programs the child receives during the proceedings shall be determined according to Code of Federal Regulations, title 34, section 303.425.

(10) The commissioner shall, after removing personally identifiable information, transmit to the interagency coordinating council the final decisions on all complaints, and make the decisions available to the public in a manner consistent with state and federal confidentiality requirements.

(11) The commissioner shall use available federal funds to pay the cost of the administrative law judge.

(h) An individual or organization is entitled to have a complaint concerning an early intervention system reviewed according to the procedures in this paragraph.

(1) The commissioner shall receive and coordinate the review of a complaint alleging that one or more requirements of Code of Federal Regulations, title 34, part 303, is not being met.

(2) The commissioner shall refer the complaint to the commissioner of health or human services if the complaint involves services delivered under that commissioner's jurisdiction.

(3) A complaint may allege a violation by:

(i) any public agency in the state that receives funding under Code of Federal Regulations, title 34, part 303;

(ii) any public agency that is part of the state's early intervention system; or

(iii) any private service provider providing early intervention services under public supervision.

(4) An individual or organization may file a signed complaint with the commissioner of education, according to Code of Federal Regulations, title 34, sections 303.511 and 303.512.

(5) The commissioner shall, after removing personally identifiable information, transmit to the interagency coordinating council the final decisions on all complaints and make the decisions available to



the public consistent with state and federal confidentiality requirements.

Sec. 9. Minnesota Statutes 1990, section 120.17, is amended by adding a subdivision to read:

Subd. 15b. [RESOLUTION OF DISPUTES BETWEEN STATE AGENCIES.] (a) "State dispute" means a disagreement between state health, human services, or education agencies about implementing a state level program or service affecting early intervention services.

(b) The commissioners of health, education, and human services shall, by July 1, 1992, develop a joint dispute resolution process to resolve a state dispute within 30 days. The commissioners shall inform local agencies, parent organizations, IEIC's, and the state interagency coordinating council of the state dispute resolution process.

Sec. 10. Minnesota Statutes 1990, section 120.17, is amended by adding a subdivision to read:

Subd. 15c. [RESOLUTION OF DISPUTES BETWEEN LOCAL AGENCIES.] (a) "Local dispute" means a disagreement between a local school district and a county health or human services board about which agency is responsible for providing early intervention services under subdivisions 11a to 15c.

(b) If local agencies are unable to resolve a local dispute:

(i) the local district must convene the local interagency early intervention committee to review the matter and recommend assigning financial responsibility to the appropriate agency under subdivision 12, clause (3);

(ii) the parties may initiate binding arbitration procedures or may request mediation services from the commissioner; and

(iii) if a dispute is not resolved within 30 days, the local district must ask the commissioner to review the matter with the commissioners of health and human services. The commissioners' decision is final and binding.

(c) While a local dispute is pending, the local interagency early intervention committee shall either assign financial responsibility to an agency to pay for the service or the committee shall pay for the service. If in resolving the dispute, the committee determines that the assignment of financial responsibility was inappropriate, the responsibility for payment must be reassigned to the appropriate

agency and arrangements made for reimbursing any expenditures incurred by the agency originally assigned financial responsibility.

(d) Each local interagency early intervention committee shall develop procedures to ensure that eligible children and their families receive services in a timely manner pending the resolution of disputes among service providers.

(e) The commissioner shall, after removing personally identifiable information, transmit to the interagency coordinating council all final decisions regarding interagency disputes resolved by the state and make the decisions available to the public consistent with state and federal confidentiality requirements.

Sec. 11. Minnesota Statutes 1990, section 120.17, subdivision 16, is amended to read:

Subd. 16. [COMMUNITY TRANSITION INTERAGENCY COMMITTEE.] A district, group of districts, or special education cooperative, in cooperation with the county or counties in which the district or cooperative is located, shall establish a community transition interagency committee for handicapped youth with disabilities, beginning at grade 9 or age equivalent, and their families. Members of the committee shall consist of representatives from special education; vocational and regular education; community education; post-secondary education and training institutions; adults with disabilities who have received transition services if such persons are available; parents of handicapped youth with disabilities; local business or industry; rehabilitation services; county social services; health agencies; and additional public or private adult service providers as appropriate. The committee shall elect a chair and shall meet regularly. The committee shall:

(1) identify current services, programs, and funding sources provided within the community for secondary and post-secondary aged handicapped youth with disabilities and their families;

(2) facilitate the development of multiagency teams to address present and future transition needs of individual students on their individual education plans;

(3) develop a community plan to include mission, goals, and objectives, and an implementation plan to assure that transition needs of handicapped individuals with disabilities are met;

(4) recommend changes or improvements in the community system of transition services;

(5) exchange agency information such as appropriate data, effec-

tiveness studies, special projects, exemplary programs, and creative funding of programs; and

(6) following procedures determined by the commissioner, prepare a yearly summary assessing the progress of transition services in the community and disseminate it including follow-up of individuals with disabilities who were provided transition services to determine post-school outcomes. The summary must be disseminated to all adult services agencies involved in the planning and to the commissioner of education by ~~September~~ October 1 of each year.

Sec. 12. Minnesota Statutes 1991 Supplement, section 120.181, is amended to read:

**120.181 [TEMPORARY PLACEMENTS FOR CARE AND TREATMENT PLACEMENT OF NONHANDICAPPED PUPILS; EDUCATION AND TRANSPORTATION.]**

The responsibility for providing instruction and transportation for a nonhandicapped pupil who has a short-term or temporary physical or emotional illness or disability, as determined by the standards of the state board, and who is temporarily placed for care and treatment for that illness or disability, shall be determined ~~in the following manner:~~ as provided in this section.

(a) The school district of residence of the pupil shall be the district in which the pupil's parent or guardian resides or the district designated by the commissioner of education if neither parent nor guardian is living within the state.

(b) Prior to the placement of a pupil for care and treatment, the district of residence shall be notified and provided an opportunity to participate in the placement decision. When an immediate emergency placement is necessary and time does not permit resident district participation in the placement decision, the district in which the pupil is temporarily placed, if different from the district of residence, shall notify the district of residence of the emergency placement within 15 days of the placement.

(c) When a nonhandicapped pupil is temporarily placed for care and treatment in a day program and the pupil continues to live within the district of residence during the care and treatment, the district of residence shall provide instruction and necessary transportation for the pupil. The district may provide the instruction at a school within the district of residence, at the pupil's residence, or in the case of a placement outside of the resident district, in the district in which the day treatment program is located by paying tuition to that district. The district of placement may contract with a facility to provide instruction by teachers licensed by the state board of teaching.

(d) When a nonhandicapped pupil is temporarily placed in a residential program for care and treatment, the district in which the pupil is placed shall provide instruction for the pupil and necessary transportation within that district while the pupil is receiving instruction, and in the case of a placement outside of the district of residence, the nonresident district shall bill the district of residence for the actual cost of providing the instruction for the regular school year and for summer school, excluding transportation costs. When a nonhandicapped pupil is temporarily placed in a residential program outside the district of residence, the administrator of the court placing the pupil shall send timely written notice of the placement to the district of residence. The district of placement may contract with a residential facility to provide instruction by teachers licensed by the state board of teaching.

(e) The district of residence shall receive general education aid for include the pupil in its residence count of pupil units and pay tuition and other instructional costs, excluding transportation costs, as provided in section 124.18 to the district providing the instruction. Transportation costs shall be paid by the district providing the transportation and the state shall pay transportation aid to that district. For purposes of computing state transportation aid, pupils governed by this subdivision shall be included in the handicapped transportation category.

Sec. 13. [121.1105] [SOLE STATE AGENCY.]

Beginning July 1, 1993, the state board of education is the sole state agency to receive and disburse federal funds authorized by the Vocational Education Act of 1963, as amended in the education amendments of 1976, Public Law Number 94-482, and Code of Federal Regulations, title 34, part 400. Beginning July 1, 1992, the state board of education and the state board of technical colleges shall begin the process for transferring authority to receive and disburse the federal funds to the state board of education by June 30, 1993. The state board of education shall develop the state plan according to terms of agreement with the state board of technical colleges.

Sec. 14. Minnesota Statutes 1990, section 124.331, subdivision 1, is amended to read:

Subdivision 1. [PURPOSE.] The purpose of sections 124.331 to 124.333 is to improve the education of public school pupils by:

(1) working toward reducing instructor-learner ratios and increasing the amount of individual attention given each learner in kindergarten and through grade 4 3 to help each learner develop socially and emotionally and in knowledge, skills, and attitudes; and

(2) improving program offerings.

Sec. 15. Minnesota Statutes 1990, section 124.331, subdivision 3, is amended to read:

Subd. 3. [STATE REVENUE CRITERIA.] Revenue available under section 124.332 is to enable a district to work to achieve the district's instructor-learner ratios in kindergarten ~~and~~ through grade ~~1 3~~ established by the curriculum advisory committee in each district, and to prepare and use an individualized learning plan for each learner in kindergarten ~~and~~ through grade ~~1 3~~. A district must not increase the districtwide instructor-learner ratios in grades ~~2 4~~ through 8 as a result of reducing instructor-learner ratios in kindergarten ~~and~~ through grade ~~1 3~~.

A district's curriculum advisory committee, as part of the policy under section 126.666, must develop a districtwide plan to work to achieve the instructor-learner ratios in kindergarten ~~and~~ through grade ~~1 3~~ adopted by the school board of the district, and to prepare and use an individualized learning plan for each learner in kindergarten ~~and~~ through grade ~~1 3~~. If the school board of a school district determines that the district has achieved and is maintaining the instructor-learner ratios specified by the district's curriculum advisory committee, and has prepared and is using individualized learning plans, the school board must direct the school district to use the aid it receives under section 124.332 to work to improve program offerings throughout the district, or the education district of which the district is a member, based upon a plan developed by the district's curriculum advisory committee.

Sec. 16. Minnesota Statutes 1991 Supplement, section 125.62, subdivision 6, is amended to read:

Subd. 6. [ELIGIBILITY FOR SCHOLARSHIPS AND LOANS.] The following Indian people are eligible for scholarships:

(1) a student, including a teacher aide employed by a district receiving a joint grant, who intends to become a teacher and who is enrolled in a post-secondary institution receiving a joint grant;

(2) a licensed employee of a district receiving a joint grant, who is enrolled in a master of education program; and

(3) a student who, after applying for federal and state financial aid and an Indian scholarship according to section 124.48, has financial needs that remain unmet. Financial need shall be determined according to the ~~uniform~~ congressional methodology for needs determination or as otherwise set in federal law.

A person who has actual living expenses in addition to those

addressed by the ~~uniform congressional~~ methodology for needs determination, or as otherwise set in federal law, may receive a loan according to criteria established by the state board. A contract shall be executed between the state and the student for the amount and terms of the loan.

Sec. 17. Minnesota Statutes 1991 Supplement, section 245A.03, subdivision 2, is amended to read:

Subd. 2. [EXCLUSION FROM LICENSURE.] Sections 245A.01 to 245A.16 do not apply to:

(1) residential or nonresidential programs that are provided to a person by an individual who is related;

(2) nonresidential programs that are provided by an unrelated individual to persons from a single related family;

(3) residential or nonresidential programs that are provided to adults who do not abuse chemicals or who do not have a chemical dependency, a mental illness, mental retardation or a related condition, a functional impairment, or a physical handicap;

(4) sheltered workshops or work activity programs that are certified by the commissioner of jobs and training;

(5) programs for children enrolled in kindergarten to the 12th grade ~~and, prekindergarten regular and special education, and programs serving children in combined special education and regular prekindergarten~~ programs that are operated by ~~the commissioner of education or a public school~~ as defined in section ~~120.101, subdivision 4~~ 120.05;

(6) nonresidential programs for children that provide care or supervision for periods of less than three hours a day while the child's parent or legal guardian is in the same building or present on property that is contiguous with the physical facility where the nonresidential program is provided;

(7) nursing homes or hospitals licensed by the commissioner of health except as specified under section 245A.02;

(8) board and lodge facilities licensed by the commissioner of health that provide services for five or more persons whose primary diagnosis is mental illness who have refused an appropriate residential program offered by a county agency. This exclusion expires on July 1, 1990;

(9) homes providing programs for persons placed there by a

licensed agency for legal adoption, unless the adoption is not completed within two years;

(10) programs licensed by the commissioner of corrections;

(11) recreation programs for children or adults that operate for fewer than 40 calendar days in a calendar year;

(12) programs whose primary purpose is to provide, for adults or school-age children, including children who will be eligible to enter kindergarten within not more than four months, social and recreational activities, such as scouting, boys clubs, girls clubs, sports, or the arts; except that a program operating in a school building is not excluded unless it is approved by the district's school board;

(13) head start nonresidential programs which operate for less than 31 days in each calendar year;

(14) noncertified boarding care homes unless they provide services for five or more persons whose primary diagnosis is mental illness or mental retardation;

(15) nonresidential programs for nonhandicapped children provided for a cumulative total of less than 30 days in any 12-month period;

(16) residential programs for persons with mental illness, that are located in hospitals, until the commissioner adopts appropriate rules;

(17) the religious instruction of school-age children; Sabbath or Sunday schools; or the congregate care of children by a church, congregation, or religious society during the period used by the church, congregation, or religious society for its regular worship;

(18) camps licensed by the commissioner of health under Minnesota Rules, chapter 4630;

(19) mental health outpatient services for adults with mental illness or children with emotional disturbance; or

(20) residential programs serving school-age children whose sole purpose is cultural or educational exchange, until the commissioner adopts appropriate rules.

For purposes of clause (5), the department of education, after consulting with the department of human services, shall adopt standards applicable to ~~preschool~~ prekindergarten programs administered by public schools that are similar to Minnesota Rules, parts

9503.005 to 9503.0175. These standards are exempt from rulemaking under chapter 14.

Sec. 18. Laws 1991, chapter 265, article 3, section 39, subdivision 16, is amended to read:

Subd. 16. [INDIAN TEACHER PREPARATION GRANTS.] For joint grants to assist Indian people to become teachers:

- \$190,000 ..... 1992
- \$190,000 ..... 1993

~~Up to~~ Initially \$70,000 each year is for a joint grant to the University of Minnesota at Duluth and the Duluth school district.

~~Up to~~ Initially \$40,000 each year is for a joint grant to each of the following:

- (1) Bemidji state university and the Red Lake school district;
- (2) Moorhead state university and a school district located within the White Earth reservation; and
- (3) Augsburg college and the Minneapolis school district.

Money not used for students at one location may be transferred for use at another location.

Any unexpended balance remaining the first year does not cancel but is available in the second year.

Sec. 19. Laws 1991, chapter 265, article 7, section 44, is amended to read:

Sec. 44. [EFFECTIVE DATE.]

Section 8 is effective July 1, 1993. Section 20 is effective August 1, ~~1994~~ 1995.

Sec. 20. [BASE ADJUSTMENT.]

Upon request of a school district that is eligible for and receives alternative delivery revenue under Minnesota Statutes, section 124.322, the commissioner of education shall adjust the district's revenue base and revenue for fiscal years 1992 and 1993 to reflect any new service requirements imposed upon the district. The adjustments shall be made to the district's aid and levy. However the



adjustment must not result in a reduction in state aid to any other district.

Sec. 21. [FEDERAL FUND DISBURSAL.]

Notwithstanding Laws 1991, chapter 356, article 1, section 3, subdivision 4, or any other law to the contrary, the state board of education shall establish the process for allocating Carl D. Perkins Act funds in fiscal year 1994 and later years. The state board of education may accept the plan prepared in fiscal year 1993 or prepare a new plan for allocating Carl D. Perkins Act funds in consultation with the state board of vocational technical education.

Sec. 22. [ALLOCATION OF FUNDS.]

In the Northwest ECSU region, the commissioner of education shall allocate federal funds for the regional special education low incidence plans in a manner consistent with the recommendation of a majority of the school boards in the region. The allocation method must provide access for all districts in the region to the services supported by the funds.

Sec. 23. [REPEALER.]

Minnesota Statutes 1990, section 136C.06, is repealed July 1, 1993, subject to section 24, paragraph (c).

Sec. 24. [EFFECTIVE DATE.]

(a) Sections 4 to 10 and 20 are effective the day following final enactment.

(b) Sections 13 and 21 are effective May 1, 1992, only if the state board of technical colleges and the state board of education are unable to establish a mutually satisfactory process for allocating the Carl D. Perkins funds as required under Laws 1991, chapter 356, article 1, section 3, subdivision 4.

(c) To preclude sections 13, 21, and 23 from taking effect, the two boards shall jointly sign, date, and file with the commissioners of education and finance before May 1, 1992, a written statement declaring that the boards have established a mutually satisfactory process for allocating the federal funds.

## ARTICLE 4

## CHILDREN, YOUTH, AND COMMUNITY EDUCATION

Section 1. Minnesota Statutes 1991 Supplement, section 121.831, is amended to read:

## 121.831 [LEARNING READINESS PROGRAMS.]

Subdivision 1. [ESTABLISHMENT.] A district or a group of districts may establish a learning readiness program for eligible children.

Subd. 2. [CHILD ELIGIBILITY.] A child is eligible to participate in a learning readiness program offered by the resident district or another district if the child is:

(1) at least four years old but has not entered kindergarten; and

(2) has participated or will participate in an early childhood receives developmental screening program according to under section 123.702 within 90 days of enrolling in the program.

A child may participate in a program provided by the district in which the child resides or by any other district.

Subd. 3. [PROGRAM ELIGIBILITY.] A learning readiness program shall include the following:

(1) a comprehensive plan to coordinate meet the needs of participating families by coordinating existing social services to provide for the needs of participating families programs and for by fostering collaboration with among agencies or other community-based organizations providing services to and programs that serve families with young children;

(2) a development and learning component to help a child develop socially, intellectually, physically appropriate social, intellectual, and physical skills, and emotionally in a manner appropriate to the child emotional well-being;

(3) health referral services to address the children's medical, dental, mental health, and nutritional needs of the children;

(4) a nutrition component to meet the children's daily nutritional needs of the children; and

(5) parents' involvement of parents in the educational meeting children's education, health, social service services, and other needs of the children.

Subd. 4. [PROGRAM CHARACTERISTICS.] Learning readiness programs may include the following are encouraged to:

(1) prepare an individualized service plan to meet the individual needs of each child child's developmental and learning needs;

(2) ensure participation by families who are representative of represent the racial, cultural, and economic diversity of the community;

(3) provide parent education to increase parents' knowledge, understanding, skills, and experience in child development and learning;

(4) foster substantial parent involvement, that may include developing having parents develop curriculum or serving serve as a paid or volunteer educator, resource person, or other staff;

(5) identification of identify the needs of families with respect to in the context of the child's learning readiness;

(6) a plan to expand collaboration with public organizations, businesses, nonprofit organizations, or other private organizations to promote the development of develop a coordinated system of services available to all eligible children and their families with eligible children;

(7) coordination of coordinate treatment and follow-up services for all children's identified physical and mental health problems;

(8) develop staff and program resources, including interpreters, that reflect the racial and ethnic population characteristics of the children participating in the program;

(9) offer transportation for eligible children and their parents families for whom other forms of transportation are not available unavailable or would constitute an excessive financial burden; and

(10) make substantial outreach efforts to assure participation by families with the greatest needs.

Subd. 5. [PURCHASE OR CONTRACT FOR SERVICES.] Whenever possible, A district may is encouraged to contract with a public organization or nonprofit organization providing to provide eligible children developmentally appropriate services meeting one or more of that meet the program requirements in subdivision 3, clauses (1) to (4). In the alternative, a district may also pay tuition or fees to place an eligible child in an existing program or. A district may establish a new program where no existing, reasonably accessible program meets the program requirements in subdivision 3. Services

may be provided in a site-based program or in the home of the child or a combination of both. The district may not ~~limit~~ restrict participation to district residents of the district.

Subd. 6. [COORDINATION WITH OTHER PROVIDERS.] The district shall ~~optimize coordination of~~ coordinate the learning readiness program with existing ~~service~~ community-based social services providers located in the community and foster collaboration among agencies and other community-based organizations and programs, including Head Start, that serve families with young children. To the extent possible, resources shall follow the children ~~based on the services needed,~~ so that children have received appropriate services in a stable environment and are not moved from one program location to program another. Where geographically feasible, the district shall actively promote colocating programs and services for children and their families.

Subd. 7. [ADVISORY COUNCIL.] Each learning readiness program shall have an advisory council ~~which~~ composed of members of existing boards, parents of participating children, and representatives of early childhood service providers. The council shall advise the school board in creating and administering the program and shall monitor the progress of the program. The council shall ensure that children at greatest risk receive appropriate services. If the school board is unable to appoint to the advisory council members of existing boards, it shall:

(1) appoint parents of children enrolled in the program who represent the racial, cultural, and economic diversity of the district and representatives of early childhood service providers as representatives to an existing advisory council; or

(2) appoint a joint council made up of members of existing boards, parents of participating children, and representatives of early childhood service providers.

Subd. 8. [PRIORITY CHILDREN.] The district shall give high greatest priority to providing services to eligible children identified, through a means such as the early childhood screening process, as being developmentally disadvantaged or experiencing risk factors that could impede their learning readiness.

Subd. 9. [CHILD RECORDS.] A record of a child's progress and development shall be maintained in the child's cumulative record while enrolled in the learning readiness program. The cumulative record shall be used for the purpose of planning activities to suit individual needs and shall become part of the child's permanent record. The cumulative record is private data under chapter 13.

Subd. 10. [SUPERVISION.] A program provided by a school board shall be supervised by a licensed early childhood teacher or a

certified early childhood educator. A program provided according to a contract between a school district and a nonprofit organization or another private organization shall be supervised according to the terms of the contract.

Subd. 11. [DISTRICT STANDARDS.] The school board of the district shall develop standards for the learning readiness program that reflect the eligibility criteria contained in subdivision 3. The board shall consider including in those standards the program characteristics described in subdivision 4.

Subd. 12. [PROGRAM FEES.] A district may adopt a sliding fee schedule based on a family's income but shall waive a fee for a participant unable to pay. The fees charged must be designed to enable eligible children of all socioeconomic levels to participate in the program.

Sec. 2. Minnesota Statutes 1991 Supplement, section 123.702, subdivision 1, is amended to read:

Subdivision 1. (a) Every school board shall provide for a mandatory program of early childhood developmental screening for children who are four years old and older but who have not entered kindergarten or first grade in a public school. This screening program shall be established either by one board, by two or more boards acting in cooperation, by educational cooperative service units, by early childhood family education programs, or by other existing programs. This screening examination is a mandatory prerequisite to enrolling requirement for a student to be enrolled in kindergarten or first grade in a public school. A child need not submit to developmental screening provided by a school board if the child's health records indicate to the school board that the child has received comparable developmental screening from a public or private health care organization or individual health care provider. The school districts are encouraged to reduce the costs of preschool developmental screening programs by utilizing volunteers in implementing the program.

(b) If a statement signed by the child's parent or guardian is submitted to the administrator or other person having general control and supervision of the school that the child has not been screened because of conscientiously held beliefs of the parent or guardian, the screening shall not be required.

Sec. 3. Minnesota Statutes 1991 Supplement, section 123.702, subdivision 1a, is amended to read:

Subd. 1a. A child must not be enrolled in this state in kindergarten or first grade in a public school until unless the parent or guardian of the child submits to the school principal or other person having general control and supervision of the school a record

indicating the months and year the child received developmental screening and the results of the screening within 30 days of enrollment. If a child is transferred from one kindergarten to another or from one first grade to another, the parent or guardian of the child must be allowed 30 days to submit the child's record, during which time the child may attend school.

Sec. 4. Minnesota Statutes 1991 Supplement, section 123.702, subdivision 1b, is amended to read:

Subd. 1b. (a) A screening program shall include at least the following components: developmental assessments, hearing and vision screening or referral, immunization review and referral, the child's height and weight, review of any special family circumstances that might affect development, identification of additional risk factors that may influence learning, an interview with the parent about the child, and referral for assessment, diagnosis, and treatment when potential needs are identified. The school district and the person performing or supervising the screening shall provide a parent or guardian with clear written notice that the parent or guardian may decline to answer questions or provide information about family circumstances that might affect development and identification of risk factors that may influence learning. The notice shall clearly state that declining to answer questions or provide information does not prevent the child from being enrolled in kindergarten or first grade if all other screening components are met. If a parent or guardian is not able to read and comprehend the written notice, the school district and the person performing or supervising the screening must convey the information in another manner. The notice shall also inform the parent or guardian that a child need not submit to the school district screening program if the child's health records indicate to the school that the child has received comparable developmental screening performed within the preceding 365 days by a public or private health care organization or individual health care provider.

(b) All screening components shall be consistent with the standards of the state commissioner of health for early developmental screening programs. No developmental screening program shall provide laboratory tests, ~~a health history~~ or a physical examination to any child. The school district shall request from the public or private health care organization or the individual health care provider the results of any laboratory test, ~~health history~~ or physical examination within the 12 months preceding a child's scheduled screening.

(c) If a child is without health coverage, the school district shall refer the child to an appropriate health care provider.

(d) A school board may offer additional components such as nutritional, physical and dental assessments, blood pressure, ~~and~~

laboratory tests, and health history. State aid shall not be paid for additional components.

Sec. 5. Minnesota Statutes 1991 Supplement, section 124.19, subdivision 7, is amended to read:

Subd. 7. [ALTERNATIVE PROGRAMS.] (a) This subdivision applies to an alternative program that has been approved by the state board of education pursuant to Minnesota Rules, part 3500.3500, as exempt from Minnesota Rules, part 3500.1500, requiring a school day to be at least six hours in duration.

(b) To receive general education revenue for a pupil in an alternative program, a school district must meet the requirements in this paragraph. The program must be approved by the commissioner of education. In approving a program, the commissioner may use the process used for approving state designated area learning centers under section 124C.49.

(c) In addition to the requirements in paragraph (b), to receive general education revenue for a pupil in an alternative program that has an independent study component, a school district must meet the requirements in this paragraph.

The school district must develop with the pupil a continual learning plan for the pupil. A district must allow a minor pupil's parent or guardian to participate in developing the plan, if the parent or guardian wants to participate. The plan must identify the learning experiences and expected outcomes needed for satisfactory credit for the year and for graduation. The plan must be updated each year.

General education revenue for a pupil in an approved alternative program without an independent study component must be prorated for a pupil participating for less than a full school year, or its equivalent.

General education revenue for a pupil in an approved alternative program that has an independent study component must be paid for each hour of teacher contact time and each hour of independent study time completed toward a credit necessary for graduation. Average daily membership for a pupil shall equal the number of hours of teacher contact time and independent study time divided by the product of the number of instructional days required for that year and six, ~~but not more than one, except as otherwise provided in section 121.585.~~ Average daily membership for a pupil must not exceed one, unless:

(1) a pupil participates in a learning year program under section 121.585;

(2) a pupil's regular graduating class has already graduated; or

(3) a pupil needs additional course credits in order to graduate on time.

For an alternative program having an independent study component, the commissioner shall require a description of the courses in the program, the kinds of independent study involved, the expected learning outcomes of the courses, and the means of measuring student performance against the expected outcomes.

Sec. 6. Minnesota Statutes 1991 Supplement, section 124.2601, subdivision 6, is amended to read:

Subd. 6. [AID GUARANTEE.] Any adult basic education program that receives less state aid under ~~subdivision~~ subdivisions 3 and 7 than from the aid formula for fiscal year 1992 shall receive the amount of aid it received in fiscal year 1992.

Sec. 7. Laws 1991, chapter 265, article 4, section 30, subdivision 11, is amended to read:

Subd. 11. [GED AND LEARN TO READ ON TV.] For statewide purchase of broadcast costs, publicity, and coordination of the GED on TV series and the learn to read on TV series:

\$100,000 .....	1992
\$100,000 .....	1993

The department may contract for these services.

Up to \$10,000 of this appropriation for each fiscal year is available ~~to contract for these services~~ technical and administrative assistance.

Sec. 8. [EFFECTIVE DATE.]

Section 5 is effective July 1, 1992, and applies to 1992-1993 and later school years. Section 7 is effective the day following final enactment.

ARTICLE 5  
FACILITIES

Section 1. Minnesota Statutes 1990, section 121.148, subdivision 3, is amended to read:



Subd. 3. [NEGATIVE REVIEW AND COMMENT.] (a) If the commissioner submits a negative review and comment for a proposal according to section 121.15, the school board must not proceed with construction. the following steps must be taken:

(1) the commissioner must notify the school board of the proposed negative review and comment and schedule a public meeting within 60 days of the notification within that school district to discuss the proposed negative review and comment on the school facility; and

(2) the school board shall appoint an advisory task force of up to five members to advise the school board and the commissioner on the advantages, disadvantages, and alternatives to the proposed facility at the public meeting. One member of the advisory task force must also be a member of the county facilities group.

(b) After attending the public meeting, the commissioner shall reconsider the proposal. If the commissioner submits a negative review and comment, the school board may appeal that decision to the state board of education. The state board of education may either uphold the commissioner's negative review and comment or instruct the commissioner to submit a positive or unfavorable review and comment on the proposed facility.

(c) A school board may not proceed with construction if the state board of education upholds the commissioner's negative review and comment or if the commissioner's negative review and comment is not appealed.

Sec. 2. Minnesota Statutes 1990, section 124.243, subdivision 2, is amended to read:

Subd. 2. [CAPITAL EXPENDITURE FACILITIES REVENUE.] Capital expenditure facilities revenue for a district equals the lesser of:

(1) \$130 times its actual pupil units for the school year; or

(2) the difference between \$400 times the actual pupil units for the school year and. A district's capital expenditure facilities revenue for a school year shall be reduced if the unreserved balance in the capital expenditure facilities account on June 30 of the prior school year. For the purpose of determining revenue for the 1989-1990 and the 1990-1991 school years, the unreserved balance in the capital expenditure facilities account on June 30 of the prior school year is zero exceeds \$270 times the fund balance pupil units in the prior year as defined in section 124A.26, subdivision 1. If a district's capital expenditure facilities revenue is reduced, the reduction equals the lesser of (1) the amount that the unreserved balance in the capital expenditure facilities account on June 30 of the prior

year exceeds \$270 times the fund balance pupil units in the prior year, or (2) the capital expenditure facilities revenue for that year.

Sec. 3. Minnesota Statutes 1990, section 124.243, is amended by adding a subdivision to read:

Subd. 2a. [EXCEPTION TO FUND BALANCE REDUCTION.] A district may apply to the commissioner for approval for an unreserved fund balance in its capital expenditure facilities account that exceeds \$270 per fund balance pupil unit for a period not to exceed three years. If the commissioner approves the district's application, the district's capital expenditure facilities revenue shall not be reduced according to subdivision 2. The commissioner may approve a district's application for an exception only if the use of the district's capital expenditure facilities funds are consistent with plans adopted according to subdivision 1.

Sec. 4. Minnesota Statutes 1990, section 124.431, is amended by adding a subdivision to read:

Subd. 1a. [CAPITAL LOANS ELIGIBILITY.] Beginning July 1, 1992, a district is not eligible for a capital loan unless the district's estimated net debt tax rate after debt service equalization aid would be more than 20 percent of adjusted net tax capacity.

Sec. 5. Minnesota Statutes 1990, section 124.493, subdivision 1, is amended to read:

Subdivision 1. [APPROVAL BY COMMISSIONER.] To the extent money is available, the commissioner of education may approve not more than two pilot projects from applications submitted under section 124.494. The grant money must be used only to acquire, construct, remodel or improve the building or site of a cooperative secondary facility under contracts to be entered into within 15 months after the date on which each grant is awarded.

Sec. 6. Minnesota Statutes 1991 Supplement, section 124.493, subdivision 3, is amended to read:

Subd. 3. [APPLICATIONS COOPERATION AND COMBINATION.] Districts that apply for receive a cooperative secondary facilities grant after May 1, 1991, shall:

(1) submit a plan as set forth in section 122.242 for approval by the state board of education; and

(2) comply with the provisions of sections 122.243 to 122.247, applicable to combined districts hold a referendum on the question of combination no later than four years after a grant is awarded under section 124.493, subdivision 1.

The districts are ~~not~~ eligible for cooperation and combination revenue under section 124.2725. Sections ~~124.494, 124.4945, and 124.4946~~ do not apply to districts applying for a grant after May 1, 1991, except for provisions in the sections relating to acquiring, constructing, remodeling, or improving a building or site of a cooperative secondary facility.

Sec. 7. Minnesota Statutes 1990, section 124.494, subdivision 2, is amended to read:

Subd. 2. [REVIEW BY COMMISSIONER.] (a) Any group of districts that submits an application for a grant shall submit a proposal to the commissioner for review and comment under section 121.15, and the commissioner shall prepare a review and comment on the proposed facility, regardless of the amount of the capital expenditure required to acquire, construct, remodel or improve the secondary facility. The commissioner must not approve an application for an incentive grant for any secondary facility unless the facility receives a favorable review and comment under section 121.15 and the following criteria are met:

(1) a minimum of three or more districts, with kindergarten to grade 12 enrollments in each district of no more than 1,200 pupils, enter into a joint powers agreement;

(2) a joint powers board representing all participating districts is established under section 471.59 to govern the cooperative secondary facility;

(3) the planned secondary facility will result in the joint powers district meeting the requirements of Minnesota Rules, parts 3500.2010 and 3500.2110;

(4) at least ~~240~~ 198 pupils would be served in grades 10 to 12, ~~320~~ 264 pupils would be served in grades 9 to 12, or ~~480~~ 396 pupils would be served in grades 7 to 12;

(5) no more than one superintendent is employed by the joint powers board as a result of the cooperative secondary facility agreement;

(6) a statement of need is submitted, that may include reasons why the current secondary facilities are inadequate, unsafe or inaccessible to the handicapped;

(7) an educational plan is prepared, that includes input from both community and professional staff;

(8) a combined seniority list for all participating districts is developed by the joint powers board;

(9) an education program is developed that provides for more learning opportunities and course offerings, including the offering of advanced placement courses, for students than is currently available in any single member district; ~~and~~

(10) a plan is developed for providing instruction of any resident students in other districts when distance to the secondary education facility makes attendance at the facility unreasonably difficult or impractical; and

(11) a plan is developed that provides for the location within the cooperative secondary facility of health, social service, and other programs serving pupils and community residents.

(b) To the extent possible, the joint powers board is encouraged to provide for severance pay or for early retirement incentives under section 125.611, for any teacher or administrator, as defined under section 125.12, subdivision 1, who is placed on unrequested leave as a result of the cooperative secondary facility agreement.

(c) For the purpose of paragraph (a), clause (8), each school district must be considered to have started school each year on the same date.

Sec. 8. Minnesota Statutes 1990, section 124.494, subdivision 4, is amended to read:

Subd. 4. [AWARD OF GRANTS.] The commissioner shall examine and consider all applications for grants, and if any joint powers district is found not qualified, the commissioner shall promptly notify that joint powers board. On July 1 of 1989, the commissioner shall make awards to no more than two qualified applicants whose applications have been on file with the commissioner more than one month. On July 1, 1992, the commissioner shall make awards to no more than (1) the group of districts consisting of independent school districts No. 240, Blue Earth; No. 225, Winnebago; No. 219, Elmore; and No. 218, Delevan, if that group has submitted an application and if the application has been approved; and (2) one other qualified applicant. Applications must be filed on or before June 1, 1992, for the July 1, 1992, grant award consideration. A grant award is subject to verification by the joint powers districts as specified in subdivision 6. A grant award must not be made until the site of the secondary facility has been determined. If the total amount of the approved applications exceeds the amount that is or can be made available, the commissioner shall allot the available amount equally between the approved applicant districts. The commissioner shall promptly certify to each qualified joint powers district the amount, if any, of the grant awarded to it.

Sec. 9. Minnesota Statutes 1990, section 124.494, subdivision 5, is amended to read:

Subd. 5. [REFERENDUM; BOND ISSUE.] Within ~~90~~ 180 days after being awarded a grant under subdivision 4, the joint powers board shall submit the question of authorizing the borrowing of funds for the secondary facility to the voters of the joint powers district at a special election, which may be held in conjunction with the annual election of the school board members of the member districts. The question submitted shall state the total amount of funding needed from all sources. A majority of those voting in the affirmative on the question is sufficient to authorize the joint powers board to accept the grant and to issue the bonds on public sale in accordance with chapter 475. The clerk of the joint powers board must certify the vote of the bond election to the commissioner of education. If the question is approved by the voters, the commissioner shall notify the approved applicant districts that the grant amount certified under subdivision 4 is available and appropriated for payment under this subdivision. If a majority of those voting on the question do not vote in the affirmative, the grant must be canceled.

Sec. 10. Minnesota Statutes 1991 Supplement, section 124.83, subdivision 1, is amended to read:

Subdivision 1. [HEALTH AND SAFETY PROGRAM.] To receive health and safety revenue for any fiscal year a district, including an intermediate district, must submit to the commissioner of education an application for aid and levy by the date determined by the commissioner. The application may be for hazardous substance removal, fire code compliance, ~~or~~ life safety repairs, repairs necessary to comply with inspections conducted by the Minnesota department of labor and industry under chapter 182, or payment of fines imposed on the district by the department of labor and industry. The application must include a health and safety program adopted by the school district board. The program must include the estimated cost of the program by fiscal year.

Sec. 11. Minnesota Statutes 1990, section 124.83, subdivision 2, is amended to read:

Subd. 2. [CONTENTS OF PROGRAM.] A district may adopt a health and safety program. The program may include plans for hazardous substance removal, fire code compliance, ~~or~~ life safety repairs, or repairs necessary to eliminate a violation under chapter 182.

(1) A hazardous substance plan must contain provisions for the removal or encapsulation of asbestos from school buildings or property, asbestos-related repairs, cleanup and disposal of polychlorinated biphenyls found in school buildings or property, and cleanup, removal, disposal, and repairs related to storing heating fuel or transportation fuels such as alcohol, gasoline, fuel, oil, and special fuel, as defined in section 296.01. If a district has already developed

a plan for the removal or encapsulation of asbestos, a new plan is not necessary for purposes of this section. The plan must also contain provisions to make modifications to existing facilities and equipment necessary to limit employee exposure to hazardous substances, as defined and regulated by the federal Occupational Safety and Health Administration under Code of Federal Regulations, title 29, part 1910, subpart Z; or chapter 182; or as otherwise determined by the commissioner to present a significant risk to district staff or student health and safety.

(2) A fire safety plan must contain a description of the current fire code violation, a plan for the removal or repair of the fire hazard, and a description of safety preparation and awareness procedures to be followed until the hazard is fully corrected.

(3) A life safety plan must contain a description of the life safety hazard and a plan for its removal or repair.

(4) A facilities and equipment violation plan must contain provisions to correct health and safety hazards according to department of labor and industry standards under section 182.655.

Sec. 12. Minnesota Statutes 1990, section 124.83, subdivision 6, is amended to read:

Subd. 6. [USES OF HEALTH AND SAFETY REVENUE.] Health and safety revenue may be used only for approved expenditures necessary to correct fire safety hazards, life safety hazards, health, facility, and equipment hazards according to chapter 182, or for the removal or encapsulation of asbestos from school buildings or property, asbestos-related repairs, cleanup and disposal of polychlorinated biphenyls found in school buildings or property, or the cleanup, removal, disposal, and repairs related to storing heating fuel or transportation fuels such as alcohol, gasoline, fuel oil, and special fuel, as defined in section 296.01. Health and safety revenue must not be used for the construction of new facilities or the purchase of portable classrooms. The revenue may not be used for a building or property or part of a building or property used for post-secondary instruction or administration or for a purpose unrelated to elementary and secondary education.

Sec. 13. Minnesota Statutes 1990, section 124.83, is amended by adding a subdivision to read:

Subd. 8. [CONSULTATION.] The commissioner shall develop material and training resources to assist school districts with management of health, safety, and environmental programs including, but not limited to, the department of labor and industry's standards for hazard recognition and voluntary compliance.

Sec. 14. Minnesota Statutes 1990, section 124.83, is amended by adding a subdivision to read:

Subd. 9. [HEALTH, SAFETY, AND ENVIRONMENTAL AUDITS.] The commissioner of education shall develop a plan to audit school district compliance with current state and federal health, safety, and environmental standards and rules for which use of health and safety revenue is authorized under subdivision 6. The commissioner shall supply a report of the results from each audit and suggest responses to deficiencies to the local school board for their action. Audits shall occur in each public school facility at a frequency not greater than once every four years.

Sec. 15. Minnesota Statutes 1990, section 124.83, is amended by adding a subdivision to read:

Subd. 10. [CONTRACTING.] The commissioner may contract with the Minnesota safety council, the department of labor and industry, the pollution control agency, or private service providers for purposes of implementing subdivisions 8 and 9.

Sec. 16. Minnesota Statutes 1990, section 124.83, is amended by adding a subdivision to read:

Subd. 11. [FINES.] Fines paid by school districts under section 182.666, subdivision 7, are appropriated to the commissioner of education for the purposes of subdivisions 8, 9, and 10.

Sec. 17. Minnesota Statutes 1991 Supplement, section 124.95, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] For purposes of this section, the required debt service levy of a district is defined as follows:

(1) the amount needed to produce between five and six percent in excess of the amount needed to meet when due the principal and interest payments on the obligations, excluding obligations under section 124.2445, of the district for eligible projects according to subdivision 2, including the amounts necessary for repayment of energy loans according to section 216C.37 or sections 298.292 to 298.298, debt service loans and capital loans, minus

(2) the amount of any surplus remaining in the debt service fund when the obligations and interest on them have been paid debt service excess for that school year calculated according to the procedure established by the commissioner.

Sec. 18. Minnesota Statutes 1991 Supplement, section 124.95, subdivision 2, is amended to read:

Subd. 2. [ELIGIBILITY.] To be eligible for debt service equalization revenue, the following conditions must be met The following portions of a district's debt service levy qualify for debt service equalization:

(1) the required debt service levy of a district must exceed the amount raised by a level of eight percent times the adjusted net tax capacity of the district debt service for repayment of principal and interest on bonds issued before July 2, 1992;

(2) debt service for bonds issued before July 2, 1992 and refinanced after July 1, 1992, if the bond schedule has been approved by the commissioner and, if necessary, adjusted to reflect a 20-year maturity schedule; and

(3) debt service for bond issues approved after July 1, 1990 1992, the for construction prejeet must projects that have received a positive review and comment according to section 121.15; if

(3) the commissioner has determined that the district has met the criteria under section 124.431, subdivision 2, for new projects; and

(4) except that the district may serve, on average, at least 66 pupils per grade, and if the bond schedule must be has been approved by the commissioner and, if necessary, adjusted to reflect a 20-year maturity schedule.

Sec. 19. Minnesota Statutes 1991 Supplement, section 124.95, is amended by adding a subdivision to read:

Subd. 2a. [NOTIFICATION.] A district eligible for debt service equalization revenue under subdivision 2 must notify the commissioner of the amount of its intended debt service levy calculated under subdivision 1 for all bonds sold prior to the notification by July 1 of the calendar year the levy is certified.

Sec. 20. Minnesota Statutes 1991 Supplement, section 124.95, subdivision 3, is amended to read:

Subd. 3. [DEBT SERVICE EQUALIZATION REVENUE.] (a) For fiscal years 1995 and later, the debt service equalization revenue of a district equals the required debt service levy minus the amount raised by a levy of ~~12~~ ten percent times the adjusted net tax capacity of the district.

(b) For fiscal year 1993, debt service equalization revenue equals one-third of the amount calculated in paragraph (a).

(c) For fiscal year 1994, debt service equalization revenue equals two-thirds of the amount calculated in paragraph (a).



Sec. 21. Minnesota Statutes 1991 Supplement, section 124.95, subdivision 4, is amended to read:

Subd. 4. [EQUALIZED DEBT SERVICE LEVY.] To obtain debt service equalization revenue, a district must levy an amount not to exceed the district's debt service equalization revenue times the lesser of one or the ratio of:

(1) the quotient derived by dividing the adjusted net tax capacity of the district for the year before the year the levy is certified by the actual pupil units in the district for the year to which the levy is attributable prior to the year the levy is certified; or to

(2) 50 percent of the equalizing factor as defined in section 124A.02, subdivision 8, for the year to which the levy is attributable.

Sec. 22. Minnesota Statutes 1991 Supplement, section 124.95, subdivision 5, is amended to read:

Subd. 5. [DEBT SERVICE EQUALIZATION AID.] A district's debt service equalization aid is the difference between the debt service equalization revenue and the equalized debt service levy. A district's debt service equalization aid must not be prorated. If the amount of debt service equalization aid actually appropriated for the fiscal year in which this calculation is made is insufficient to fully fund debt service equalization aid, the commissioner shall prorate the amount of aid across all eligible districts.

Sec. 23. [124.9601] [DEBT SERVICE APPROPRIATION.]

\$6,000,000 is appropriated in fiscal year 1993 from the general fund to the commissioner of education for payment of debt service equalization aid under section 124.95. \$14,000,000 in fiscal year 1994 and \$21,000,000 in fiscal year 1995 and each year thereafter is appropriated from the general fund to the commissioner of education for payment of debt service equalization aid under section 124.95. These amounts must be reduced by the amount of any money specifically appropriated for the same purpose in any year from any state fund.

Sec. 24. Minnesota Statutes 1990, section 182.666, subdivision 6, is amended to read:

Subd. 6. Only the commissioner shall have authority to assess all proposed fines provided in this section, giving due consideration to the appropriateness of the fine with respect to the size of the business of the employer, the gravity of the violation, the good faith of the employer, and the history of previous violations. Fines imposed on school districts are reduced by the amount necessary to correct the violations cited. Proposed fines assessed against a district shall

be waived when the district has not been subject to an inspection or received consultation under section 182.673 within five years before the citation.

Sec. 25. Minnesota Statutes 1990, section 182.666, subdivision 7, is amended to read:

Subd. 7. Fines imposed under this chapter shall be paid to the commissioner for deposit in the general fund ~~and~~. Fines imposed on school districts in the amount of the fines assessed by the commissioner less the amount necessary to correct the combined violations cited, notwithstanding other rights provided an employer under this chapter, shall be paid to the commissioner of education. Fines may be recovered in a civil action in the name of the department brought in the district court of the county where the violation is alleged to have occurred or the district court where the commissioner has an office. Unpaid fines shall be increased to 125 percent of the original assessed amount if not paid within 60 days after the fine becomes a final order. After that 60 days, unpaid fines shall accrue an additional penalty of ten percent per month compounded monthly until the fine is paid in full.

Sec. 26. Minnesota Statutes 1990, section 275.125, is amended by adding a subdivision to read:

Subd. 11h. [EXTRA CAPITAL EXPENDITURE LEVY FOR CERTAIN LEASE PURCHASES.] (a) Upon application to, and approval by, the commissioner in accordance with the procedures and limits in subdivision 11d, a district, as defined in this subdivision, may:

(1) purchase real property under an installment contract or may lease real property with an option to purchase under a lease purchase agreement, by which installment contract or lease purchase agreement title is kept by the seller or vendor or assigned to a third party as security for the purchase price, including interest, if any; and

(2) annually levy the amounts necessary to pay the district's obligations under the installment contract or lease purchase agreement.

(b)(1) The obligation created by the installment contract or the lease purchase agreement must not be included in the calculation of net debt for purposes of section 475.53, and does not constitute debt under other law.

(2) An election is not required in connection with the execution of the installment contract or the lease purchase agreement.

(3) The district may terminate the installment contract or lease purchase agreement at the end of any fiscal year during its term.

(c) The proceeds of the levy authorized by this subdivision must not be used to acquire a facility to be primarily used for athletic or school administration purposes.

(d) In this subdivision, "district" means:

(1) a school district required to have a comprehensive plan for the elimination of segregation whose plan has been determined by the commissioner to be in compliance with the state board of education rules relating to equality of educational opportunity and school desegregation; or

(2) a school district that participates in a joint program for interdistrict desegregation with a district defined in clause (1) if the facility acquired under this subdivision is to be primarily used for the joint program.

(e) Notwithstanding subdivision 11d, the prohibition against a levy by a district to lease or rent a district-owned building to itself does not apply to levies otherwise authorized by this subdivision.

(f) Projects may be approved under this section by the commissioner in fiscal years 1993, 1994, and 1995 only.

Sec. 27. Minnesota Statutes 1991 Supplement, section 373.42, subdivision 2, is amended to read:

Subd. 2. [MEMBERSHIP.] A county facilities group consists of at least one representative from the county board, one representative from each city located within the county, one representative from each school district located within the county, up to three representatives of townships selected by the county board, and two other members selected by the county board. Under this section, a school district is located within a county if it has an administrative office or a facility or a planned facility under section 121.15 in the county.

Sec. 28. Laws 1991, chapter 265, article 5, section 18, is amended to read:

Sec. 18. [BONDS FOR CERTAIN CAPITAL FACILITIES.]

In addition to other bonding authority, with approval of the commissioner, independent school districts No. 392, Le Center, No. 393, LeSueur, No. 508, St. Peter, and No. 734, Henderson, may issue general obligation bonds for certain capital projects under this section. The bonds must be used only to make capital improvements including equipping school buildings, improving handicap accessi-

bility to school buildings, and bringing school buildings into compliance with fire codes.

Before a district issues bonds under this subdivision, it must publish notice of the intended projects, related costs, and the total amount of district indebtedness.

A bond issue tentatively authorized by the board under this subdivision becomes finally authorized unless a petition signed by more than 15 percent of the registered voters of the school district is filed with the school board within 30 days of the board's action. The percentage is to be determined with reference to the number of registered voters in the school district on the last day before the petition is filed with the school board. The petition must call for a referendum on the question of whether to issue the bonds for the projects under this section. The approval of 50 percent plus one of those voting on the question is required to pass a referendum authorized by this section.

The bonds may be issued in a principal amount, that when combined with interest thereon, will be paid off with 50 percent of current and anticipated revenue for capital facilities under this section or a successor section for the current year plus projected revenue not greater than the current year for the next ten years. Once finally authorized, the district must set aside 50 percent of the current year's revenue for capital facilities under this section or a successor section each year in a separate account until all principal and interest on the bonds is paid. The district must annually transfer this amount from its capital fund to the debt redemption fund. The bonds must be paid off within ten years of issuance. The bonds must be issued in compliance with Minnesota Statutes, chapter 475, except as otherwise provided in this section.

Sec. 29. Laws 1991, chapter 265, article 5, section 23, is amended to read:

Sec. 23. [MAXIMUM EFFORT CAPITAL LOAN DEBT REDEMPTION EXCESS.]

(a) Notwithstanding Minnesota Statutes, section 124.431, subdivision 11, or any other law to the contrary, a school district having an outstanding capital loan that has an excess amount in the debt redemption fund as calculated according to Minnesota Statutes, section 124.431, subdivision 11, may apply to the commissioner for an adjustment to the amount of excess owed to the state. The commissioner may reduce the excess that a district owes the state if a district's capital loan is outstanding and if the commissioner determines that any of the following conditions apply:

(1) a district is likely to incur a substantial property tax delin-

quency that will adversely affect the district's ability to make its scheduled bond payments;

(2) a district's agreement with its bondholders or its taxpayers could be impaired; or

(3) the district's tax capacity per pupil is less than one-tenth of the equalizing factor as defined in Minnesota Statutes, section 124A.02, subdivision 8; or

(4) the district could have applied for an additional capital loan during calendar year 1990 or 1991 but chose not to apply.

(b) The amount of the excess that may be forgiven may not exceed ~~\$200,000~~ \$275,000 in a single year for any district.

Sec. 30. Laws 1991, chapter 265, article 5, section 24, subdivision 4, is amended to read:

Subd. 4. [HEALTH AND SAFETY AID.] For health and safety aid according to Minnesota Statutes, section 124.83, subdivision 5:

\$11,560,000 ..... 1992

\$11,351,000 ..... 1993

The 1992 appropriation includes \$1,650,000 for 1991 and \$9,910,000 for 1992.

The 1993 appropriation includes \$1,748,000 for 1992 and \$9,603,000 for 1993.

For fiscal year 1993, total health and safety revenue may not exceed \$58,800,000. The state board of education shall establish criteria for prioritizing district health and safety project applications not to exceed this amount. The criteria may not discriminate between the number of pupils in and the geographic location of school districts.

Up to \$250,000 of the fiscal year 1993 appropriation may be used for the purposes of sections 13, 14, and 15. This amount is reduced by any payments received under sections 16 and 25.

Sec. 31. [HEALTH AND SAFETY PLAN; RICHFIELD.]

Notwithstanding other law, independent school district No. 280, Richfield, to pay off its pre-1989 fire safety loan from the city of Richfield, may revise the health and safety part of the district's capital plan to include the principal and interest on the loan

payment, now funded by the facilities part, with the result that the loan principal and interest will be paid off before July 1, 1995.

Sec. 32. [FUND BALANCE LIMIT EXCEPTION.]

Notwithstanding Minnesota Statutes, section 124.243, subdivision 2, the capital expenditure facilities revenue for special school district No. 6, South St. Paul, for fiscal years 1992, 1993, and 1994 must not be reduced because of the district's fund balance.

Sec. 33. [LEVY AND AID ADJUSTMENTS.]

The department of education shall adjust the levy limits and aid payments for special school district No. 6, South St. Paul, according to section 32. Adjustment to the school district levy may be spread over three years.

Sec. 34. [TAXPAYER NOTIFICATION.]

Subdivision 1. [APPLICABILITY.] This section applies only to newly authorized bonding authority granted under Laws 1990, chapter 604, article 8, section 9, and applies only to such bonds issued for calendar years 1993 to 1996.

Subd. 2. [NOTICE.] (a) A school board must prepare a notice of the public meeting on the proposed sale of all or any of the bonds and mail the notice to each postal patron residing within the school district. The notice must be mailed at least 15 days but not more than 30 days before the meeting. Notice of the meeting must also be posted in the administrative office of the school district and must be published twice during the 14 days before the meeting in the official newspaper of the city in which the school district is located.

(b) The notice must contain the following information:

- (1) the proposed dollar amount of bonds to be issued;
- (2) the dollar amount of the levy increase necessary to pay the principal and interest on the newly authorized bonds;
- (3) the estimated levy amount and net tax capacity rate necessary to make the debt service payments on any existing outstanding debt;
- (4) the projected effects on individual property types; and
- (5) the required levy and principal and interest on all outstanding bonds in addition to the bonds proposed under clause (1).

(c) To comply with paragraph (b), clause (4), the notice must show the projected annual dollar increase and net tax capacity rate

increase for a representative range of residential homestead, residential nonhomestead, apartments, and commercial-industrial properties located within each state senate district in the school district.

Subd. 3. [BOND AUTHORIZATION.] A school board may vote to issue bonds for calendar years 1993 to 1996 only after complying with the requirements of subdivision 2.

Sec. 35. [CAPITAL LOAN USES.]

Notwithstanding any other law to the contrary, independent school district No. 885, St. Michael-Albertville, may recognize an amount not to exceed \$325,000 from its maximum effort capital loan as capital expenditure equipment revenue. This amount is available to the district and does not return to the state.

Sec. 36. [HEALTH AND SAFETY LEVY.]

For taxes payable in 1993, the total levy for the capital expenditure health and safety program may not exceed \$70,000,000. The state board of education shall establish criteria for prioritizing district health and safety project applications not to exceed this amount of levy authority. The criteria may not discriminate between the number of pupils in and the geographic location of school districts.

Sec. 37. [LEVY ADJUSTMENT.]

The department of education shall adjust the 1992 levy for taxes payable in 1993 for each school district by the amount of debt service equalization aid received by the district for fiscal year 1993.

Sec. 38. [REPEALER.]

Laws 1990, chapter 604, article 8, section 12, is repealed the day following final enactment.

Section 26 is repealed July 1, 1995. Levies may continue to be made under section 26 until installment contracts and lease purchase agreements have been satisfied.

Sec. 39. [EFFECTIVE DATE.]

Sections 5, 6, 7, 8, 28, 29, 32, 33, 34, 35, and 38 are effective the day following final enactment.

Sections 2 and 3 are effective the day following final enactment and apply to 1991-1992 and later school years.

Section 1 is effective July 1, 1992, and applies to school facilities projects submitted to the commissioner on or after July 1, 1992.

## ARTICLE 6

### ORGANIZATION AND COOPERATION

Section 1. Minnesota Statutes 1991 Supplement, section 121.932, subdivision 2, is amended to read:

Subd. 2. [DATA ACQUISITION CALENDAR.] The department of education shall maintain a current annual data acquisition calendar specifying the reports which ~~must be provided~~ districts are required to provide to the department, the reports which regional management information centers are required to provide to the department for their affiliated districts, and the dates these reports are due.

Sec. 2. Minnesota Statutes 1991 Supplement, section 121.932, subdivision 5, is amended to read:

Subd. 5. [ESSENTIAL DATA.] The department shall maintain a list of essential data elements which must be recorded and stored about each pupil, licensed and nonlicensed staff member, and educational program. Each school district shall send the essential data to the ESV regional computer center to which it belongs, or where it shall be assembled and transmitted to the department in the form and format prescribed by the department.

Sec. 3. Minnesota Statutes 1991 Supplement, section 121.935, subdivision 1, is amended to read:

Subdivision 1. [CREATION.] Any group of two or more independent, special or common school districts may with the approval of the state board pursuant to sections 121.931 and 121.937 create a regional management information center pursuant to section 123.58 or 471.59 to provide computer services to school districts. A regional management information center shall not come into existence until the first July 1 after its creation is approved by the state board or until it can be accommodated by state appropriations, whichever occurs first. Each member of the center board of a center created after June 30, 1991, shall be a current member of a member school board.

Sec. 4. Minnesota Statutes 1991 Supplement, section 121.935, subdivision 6, is amended to read:

Subd. 6. [FEES.] Regional management information centers may charge fees to affiliated districts for the cost of services provided to the district and the district's proportionate share of outstanding



regional obligations, as defined in section 475.51, for computer hardware. If a district uses a state approved alternative finance system for processing its detailed transactions or transfers to another region, the district is liable for its contracted proportionate share of the outstanding regional obligation. The district is not liable for any additional outstanding regional obligations that occur after written notice is given to transfer or use an alternative finance system. A regional management information center must not charge a district for transferring the district's summary financial data and essential data elements to the state. The regional management information center may charge the district for any service it provides to, or performs on behalf of, a district to render the data in the proper format for reporting to the state. If a district transfers to another regional center, the center shall transfer to the district within 90 days after the end of the fiscal year the district's per actual pupil share of the center's unreserved fund balance in each fund. The fund balance shall be determined as of June 30 preceding the year the district transfers.

Sec. 5. Minnesota Statutes 1990, section 121.935, is amended by adding a subdivision to read:

Subd. 9. [INFORMATION SERVICES.] Regional management information centers may provide financial management information services to cities, counties, towns, or other governmental units at mutually negotiated prices.

Sec. 6. Minnesota Statutes 1991 Supplement, section 122.22, subdivision 9, is amended to read:

Subd. 9. An order issued under subdivision 8, clause (b), shall contain the following:

(a) A statement that the district is dissolved unless the results of an election held pursuant to subdivision 11 provide otherwise;

(b) A description by words or plat or both showing the disposition of territory in the district to be dissolved;

(c) The outstanding bonded debt, outstanding energy loans made according to section 216C.37 or sections 298.292 to 298.298, and the capital loan obligation of the district to be dissolved;

(d) A statement requiring the fulfillment of the requirements imposed by each adjoining district to which territory in the dissolving district is to be attached regarding the assumption of its outstanding preexisting bonded indebtedness by any territory from the dissolving district which is attached to it;

(e) An effective date for the order. The effective date shall be at

least ~~three~~ two months after the date of the order, and shall be July 1 of an odd-numbered year; and

(f) Other information the county board may desire to include.

Notwithstanding clause (e), a school district may dissolve in an even-numbered year if the school board and the exclusive representative of the teachers in each affected district agree on the effective date of the dissolution. The agreement must be in writing and submitted to the commissioner of education.

The auditor shall within ten days from its issuance serve a copy of the order by mail upon the clerk of the district to be dissolved and upon the clerk of each district to which the order attaches any territory of the district to be dissolved and upon the auditor of each other county in which all or any part of the district to be dissolved or any district to which the order attaches territory lies, and upon the commissioner.

Sec. 7. Minnesota Statutes 1990, section 122.22, is amended by adding a subdivision to read:

Subd. 21. A district proceeding with, or newly enlarged under dissolution and attachment, may levy for severance pay or early retirement incentives for licensed and nonlicensed employees who retire early as a result of dissolution. The levy must be approved by the commissioner of education.

Sec. 8. Minnesota Statutes 1991 Supplement, section 122.23, subdivision 2, is amended to read:

Subd. 2. (a) Upon a resolution of a school board in the area proposed for consolidation or upon receipt of a petition therefor executed by 25 percent of the voters resident in the area proposed for consolidation or by 50 such voters, whichever is lesser, the county auditor of the county which contains the greatest land area of the proposed new district shall forthwith cause a plat to be prepared. The resolution or petition shall show the approximate area proposed for consolidation.

(b) The resolution or petition may propose the following:

(1) that the bonded debt of the component districts will be paid according to the levies previously made for that debt under chapter 475, ~~as provided in subdivision 16a~~, or that the taxable property in the newly created district will be taxable for the payment of all or a portion of the bonded debt previously incurred by any component district as provided in subdivision ~~16b~~ 16;

(2) that obligations for a capital loan or an energy loan made

according to section 216C.37 or sections 298.292 to 298.298 outstanding in a preexisting district as of the effective date of consolidation remain solely with the preexisting district that obtained the loan, or that all or a portion of the loan obligations will be assumed by the newly created or enlarged district and paid by the newly created or enlarged district on behalf of the preexisting district that obtained the loan;

(3) that referendum levies previously approved by voters of the component districts pursuant to section 124A.03, subdivision 2, or its predecessor provision, be combined as provided in section 122.531, subdivision 2a or 2b, or that the referendum levies be discontinued;

(4) that the board of the newly created district consist of seven or more members and that the board will be reduced to six or seven members within four years after the effective date of the consolidation; or

(5) that separate election districts from which school board members will be elected, the boundaries of these election districts, and the initial term of the member elected from each of these election districts be established. If a county auditor receives more than one request for a plat and the requests involve parts of identical districts, the auditor shall forthwith prepare a plat which in the auditor's opinion best serves the educational interests of the inhabitants of the districts or areas affected.

(c) The plat shall show:

(1) Boundaries of the proposed district, as determined by the county auditor, and present district boundaries,

(2) The location of school buildings in the area proposed as a new district and the location of school buildings in adjoining districts,

(3) The boundaries of any proposed separate election districts, and

(4) Other pertinent information as determined by the county auditor.

Sec. 9. Minnesota Statutes 1990, section 122.23, subdivision 13, is amended to read:

Subd. 13. If a majority of the votes cast on the question at the election approve the consolidation, and if the necessary approving resolutions of boards entitled to act on the plat have been adopted, the school board shall, within ten days of the election, notify the county auditor who shall, within ten days of the notice or of the expiration of the period during which an election can be called, issue

an order setting a date for the effective date of the change. The effective date shall be at least ~~three~~ two months after the day when the date must be set, and shall be July 1 of an odd-numbered year, unless an even-numbered year is agreed upon according to subdivision 13a. The auditor shall mail or deliver a copy of such order to each auditor holding a copy of the plat and to the clerk of each district affected by the order and to the commissioner. The school board shall similarly notify the county auditor if the election fails. The proceedings are then terminated and the county auditor shall so notify the commissioner and the auditors and the clerk of each school district affected.

Sec. 10. Minnesota Statutes 1990, section 122.23, is amended by adding a subdivision to read:

Subd. 20. A consolidating or consolidated district may levy for severance pay or early retirement incentives for licensed and nonlicensed employees who retire early as a result of the consolidation. The levy must be approved by the commissioner of education.

Sec. 11. Minnesota Statutes 1991 Supplement, section 122.242, subdivision 9, is amended to read:

Subd. 9. [FINANCES.] The plan must state:

(1) whether debt service for the bonds outstanding at the time of combination remains solely with the district that issued the bonds or whether all or a portion of the debt service for the bonds will be assumed by the combined district and paid by the combined district on behalf of the district that issued the bonds;

(2) whether obligations for a capital loan or energy loan made according to section 216C.37 or sections 298.292 to 298.298 outstanding at the time of combination remain solely with the district that obtained the loan, or whether all or a portion of all the loan obligations will be assumed by the combined district and paid by the combined district on behalf of the district that obtained the loan;

(3) the treatment of debt service levies and referendum levies; and

(4) whether the cooperating or combined district will levy for reorganization operating debt according to section 121.915, clause (1); and

(5) ~~two-, five-, and ten-year projections, prepared by the department of education upon the request of any district, of revenues, expenditures, and property taxes for each district if it cooperated and combined and if it did not.~~

Sec. 12. Minnesota Statutes 1991 Supplement, section 122.243, subdivision 2, is amended to read:

Subd. 2. [VOTER APPROVAL.] A referendum on the question of combination shall be conducted during the first or second year of cooperation for districts that cooperate according to section 122.241, or no more than 18 months before the effective date of combination for districts that do not cooperate. The referendum shall be on a date called by the school boards. The referendum shall be conducted by the school boards according to the Minnesota election law, as defined in section 200.01. If the referendum fails, the same question or a modified question may be submitted the following school year. ~~If a question is submitted, the second referendum must be conducted on a date before October 1.~~ If the referendum fails again, the districts shall modify their cooperation and combination plan. A third referendum may be conducted ~~on any date before October 1.~~ If a second or third referendum is conducted after October 1, the newly combined district may not levy under section 124.2725 until the following year. Referendums shall be conducted on the same date in all districts.

Sec. 13. Minnesota Statutes 1991 Supplement, section 122.531, subdivision 4a, is amended to read:

Subd. 4a. [REORGANIZATION OPERATING DEBT LEVIES.] (a) A district that is ~~cooperating~~ receives revenue under section 124.2725 for cooperation or has combined according to sections 122.241 to 122.248 may levy to eliminate reorganization operating debt as defined in section 121.915, clause (1). The amount of the debt must be certified over a period of five years. After the effective date of combination according to sections 122.241 to 122.248, the levy may be certified and spread ~~only~~

(1) only on the property in the combined district that would have been taxable in the preexisting district that incurred the debt, or

(2) on all of the taxable property in the combined district.

(b) A district that has reorganized according to section 122.22 or 122.23 may levy to eliminate reorganization operating debt as defined in section 121.915, clause (2). The amount of debt must be certified over a period not to exceed five years and may be spread ~~only~~

(1) only on the property in the newly created or enlarged district which was taxable in the preexisting district that incurred the debt, or

(2) on all of the taxable property in the newly created or enlarged district.

Sec. 14. Minnesota Statutes 1990, section 122.532, subdivision 2, is amended to read:

Subd. 2. (a) As of the effective date of any consolidation or the dissolution of any district and its attachment to one or more existing districts, each teacher employed by an affected district shall be assigned to the newly created or enlarged district in which is located the building where that teacher was primarily employed prior to the consolidation or dissolution and attachment on the basis of a ratio of the pupils assigned to each district according to the new district boundaries. The district receiving the greatest number of pupils must be assigned the teacher with the greatest seniority, and the remaining teachers must be alternately assigned to each district until the district receiving the fewest pupils has received its ratio of teachers who will not be retiring before the effective date of the consolidation or dissolution.

(b) Notwithstanding paragraph (a), the school board and the exclusive representative of teachers in each school district involved in the consolidation or dissolution and attachment may negotiate a plan for assigning teachers to each newly created or enlarged district.

Sec. 15. Minnesota Statutes 1990, section 123.58, is amended by adding a subdivision to read:

Subd. 12. [SERVICES.] Educational cooperative service units may provide administrative, purchasing, and data processing services to cities, counties, towns, or other governmental units at mutually negotiated prices.

Sec. 16. Minnesota Statutes 1991 Supplement, section 124.2721, subdivision 3b, is amended to read:

Subd. 3b. [LEVY.] Beginning with the levy attributable to fiscal year 1994 and thereafter, the education district levy for a school district is equal to the following:

(1) the sum of the education district revenue according to subdivision 2 2a for all member school districts of the education district, times

(2) the lesser of

(a) one, or

(b) the ratio of the adjusted net tax capacity of the education district divided by the number of actual pupil units in the education district to ~~the~~ an amount in clause (1) equal to \$50 divided by 1.87 percent, times

(3) the ratio of the adjusted net tax capacity of the school district to the total adjusted net tax capacity of the education district.

Sec. 17. Minnesota Statutes 1990, section 124.2725, subdivision 13, is amended to read:

Subd. 13. [REVENUE FOR EXTENDED COOPERATION.] If the state board disapproves of the plan according to section 122.243, subdivision 1, or if a ~~second~~ third referendum fails under section 122.243, subdivision 2, cooperation and combination revenue shall equal ~~\$60~~ \$50 times the actual pupil units. Cooperation and combination aid must be reduced by an amount equal to the aid paid under subdivision 6 plus the difference between the aid paid under subdivision 5 for the first two years of the agreement and the aid that would have been paid if the revenue had been ~~\$60~~ \$50 times the actual pupil units. If the aid is insufficient to recover the entire amount, the department of education shall reduce other aids due the district to recover the entire amount. The cooperation and combination levy shall be reduced by an amount equal to the difference between the levy for the first two years of the agreement and the levy that would have been authorized if the revenue had been ~~\$60~~ \$50 times the actual pupil units. A district that receives revenue under this subdivision may not also receive revenue according to sections 124.2721 and 124.575.

Sec. 18. Minnesota Statutes 1991 Supplement, section 124.2727, subdivision 6, is amended to read:

Subd. 6. [~~ALTERNATIVE~~ LEVY AUTHORITY.] (a) For fiscal years prior to fiscal year 1996, an intermediate school district may levy, as a single taxing district, according to this paragraph, an amount that may not exceed the greater of:

(1) five-sixths of the levy certified for special education and secondary vocational education for taxes payable in 1989; or

(2) the lesser of (i) \$50 times the actual pupil units in each participating district for the fiscal year to which the levy is attributable, or (ii) 1.43 percent of the adjusted net tax capacity. The levy shall be certified according to section 275.07. Upon such certification, the county auditors shall levy and collect the levies and remit the proceeds of the levy to the intermediate school district. The levies shall not be included in computing the limitation upon the levy of any of the participating districts.

(b) ~~Five-sixths~~ Five-elevenths of the proceeds of the levy shall be used for special education. ~~Six-elevenths~~ of the proceeds of the levy shall be used for secondary vocational education.

(c) ~~To levy according to paragraph (a), a majority of the full~~

membership of the school board of each member of the intermediate school district shall adopt a resolution in August of any year stating its decision not to levy according to this section and authorizing the intermediate district to levy according to paragraph (a). Any member district may adopt a resolution by the following February 1 or February 1 of any subsequent year to levy as a school district the amount authorized by this section. The resolution may or may not also contain the school board's decision to withdraw from the intermediate school district or to cease participating in or providing financial support for any of the services or activities of the intermediate school district. Upon withdrawal from or cessation of participation in or support for the services or activities of the intermediate district, the board of the intermediate district shall pay to the district \$50 times the number of actual pupil units in the school district, or a prorated amount if the member district ceases participation in or providing financial support for any activities or services of the intermediate district. When a school district joins or withdraws from an intermediate school district after July 1, 1991, the department of education shall recalculate the levy certified for taxes payable in 1989, for the purpose of determining the levy amount authorized under paragraph (a), clause (1), to reflect the change in membership of the intermediate school district. The department shall recalculate the levy as though the intermediate school district had certified the maximum permitted levy for taxes payable in 1989.

This subdivision expires July 1, 1995.

Sec. 19. Minnesota Statutes 1991 Supplement, section 124.2727, is amended by adding a subdivision to read:

Subd. 7. [LEVIES FOR CERTAIN PROGRAMS.] For fiscal year 1996 and thereafter, a school district may levy an intermediate school district levy if the property in the school district was subject to taxation by or on behalf of an intermediate school district for taxes payable in 1994.

The intermediate school district levy is equal to the greater of:

(1) the product obtained by multiplying five-sixths of the levy certified by the intermediate school district for taxes payable in 1989 by the ratio of the adjusted net tax capacity of the school district to the adjusted net tax capacity of the intermediate district; or

(2) the lesser of (i) 1.43 percent of the adjusted net tax capacity of the school district, or (ii) \$50 times the actual pupil units in the school district.

Sec. 20. Minnesota Statutes 1991 Supplement, section 124.2727, is amended by adding a subdivision to read:



Subd. 8. [CERTIFICATES OF INDEBTEDNESS.] After a levy has been certified according to subdivision 6 or 7, an intermediate school board may issue and sell certificates of indebtedness in anticipation of the collection of levies, but in aggregate amounts that will not exceed the portion of the levies which is then not collected and not delinquent.

Sec. 21. Minnesota Statutes 1990, section 124A.22, subdivision 2a, is amended to read:

Subd. 2a. [CONTRACT DEADLINE AND PENALTY.] (a) The following definitions apply to this subdivision:

“Public employer” means:

(1) a school district; and

(2) a public employer, as defined by section 179A.03, subdivision 15, other than a school district that (i) negotiates a contract under chapter 179A with teachers, and (ii) is established by, receives state money, or levies under chapters 120 to 129, or 136D, or 268A, or section 275.125.

“Teacher” means a person, other than a superintendent or assistant superintendent, principal, assistant principal, or a supervisor or confidential employee who occupies a position for which the person must be licensed by the board of teaching, state board of education, or state board of technical colleges.

(b) Notwithstanding any law to the contrary, a public employer and the exclusive representative of the teachers shall both sign a collective bargaining agreement on or before January 15 of an even-numbered calendar year. If a collective bargaining agreement is not signed by that date, state aid paid to the public employer for that fiscal year shall be reduced. However, state aid shall not be reduced if:

(1) a public employer and the exclusive representative of the teachers have submitted all unresolved contract items to interest arbitration according to section 179A.16 before December 31 of an odd-numbered year and filed required final positions on all unresolved items with the commissioner of mediation services before January 15 of an even-numbered year; and

(2) the arbitration panel has issued its decision within 60 days after the date the final positions were filed.

State aid shall also not be reduced if a school board and the exclusive representative of the teachers in a district that has reorganized under section 122.22 or 122.23 both sign a collective

bargaining agreement on or before March 15 of an even-numbered calendar year and the effective date of consolidation under section 122.23 or dissolution and attachment under section 122.22 for the district is July 1 of the previous calendar year.

(c) The reduction shall equal \$25 times the number of actual pupil units:

(1) for a school district, that are in the district during that fiscal year; or

(2) for a public employer other than a school district, that are in programs provided by the employer during the preceding fiscal year.

The department of education shall determine the number of full-time equivalent actual pupil units in the programs. The department of education shall reduce general education aid; if general education aid is insufficient or not paid, the department shall reduce other state aids.

(d) Reductions from aid to school districts and public employers other than school districts shall be returned to the general fund.

Sec. 22. Minnesota Statutes 1991 Supplement, section 136D.22, subdivision 3, is amended to read:

Subd. 3. [LIMITATION ON PARTICIPATION AND FINANCIAL SUPPORT MEMBERSHIP.] (a) No school district shall be required by an agreement or otherwise to participate in or provide financial support for to be a participating district in an intermediate school district for a time period in excess of one fiscal year longer than that set forth in this subdivision. Any agreement, part of an agreement, or other type of requirement to the contrary is void.

(b) This subdivision shall not affect the continued liability of a school district for its share of bonded indebtedness or other debt incurred by the intermediate school district before June 5, 1991. The school district is liable only until the obligation or debt is discharged and only according to the payment schedule in effect on June 5, 1991, except that the payment schedule may be altered for the purpose of restructuring debt or refunding bonds outstanding on June 5, 1991, if the annual payments of the school district are not increased and if the total obligation of the school district for its share of outstanding bonds or other debt is not increased.

(c) To cease participating in or providing financial support for any of the services or activities provided by the intermediate district or To withdraw from the an intermediate district, the a school board shall adopt a resolution and notify the intermediate board of its decision on or before February 1 of any year. The cessation or

Withdrawal shall be effective June 30 of the same year or, at the option of the school board, June 30 of the following fiscal year, unless the withdrawing school district and the intermediate district agree to a different date. The intermediate board shall file a copy of the withdrawal resolution with the county auditors of the counties in which the intermediate district is located in whole or in part.

(d) (c) In addition to the requirements of section 136D.281, before issuing bonds or incurring other debt, the board of an intermediate district shall adopt a resolution proposing to issue bonds or incur other debt and the proposed financial effect of the bonds or other debt upon each participating school district. The resolution shall be adopted within a time sufficient to allow the school board to adopt a resolution within the time permitted by this paragraph subdivision and before any election required by chapter 475 is conducted. The resolution shall also be adopted within a time sufficient to allow the intermediate board and the school board of a participating district to comply with the statutory deadlines set forth in sections 122.895, 125.12, and 125.17. The intermediate board shall notify each participating school board of a participating school district of the contents of the resolution. Within 120 60 days of receiving the resolution of the intermediate board, the school board of the participating district shall adopt a resolution stating:

- (1) its concurrence with issuing bonds or incurring other debt; or
- (2) its intention to cease participating in or providing financial support for the service or activity related to the bonds or other debt; or
- (3) its intention to withdraw from the intermediate district.

A school board adopting a resolution according to clause (1) is liable for its share of bonded indebtedness or other debt as proposed by the board of the intermediate district. A school board adopting a resolution according to clause (2) is not liable for the bonded indebtedness or other debt, as proposed by the board of the intermediate district, related to the services or activities in which the school district ceases participating or providing financial support. A school board adopting a resolution according to clause (3) (2) is not liable for the bonded indebtedness or other debt as proposed by the board of the intermediate district. Failure of a school board to adopt a resolution within the required time period shall constitute concurrence with issuing bonds or incurring other debt.

(e) After June 5, 1991 (d) Except as provided in paragraph (c), a school district is that withdraws from the intermediate district remains liable according to paragraph (d) for its share of bonded indebtedness or other debt incurred by the intermediate district to the extent that the bonds or other debt are directly related to the services or activities in which the school district participates or for

which the school district provides financial support. The school district has continued liability only until the obligation bonds are retired or the debt is discharged and only according to the payment schedule in effect at the time the school board of the intermediate district provides notice of withdrawal to the school board intermediate district, except that the payment schedule may be altered for the purpose of refunding the outstanding bonds or restructuring other debt if the annual payments of the school district are not increased and if the total obligation of the school district for the outstanding bonds or other debt is not increased.

(e) For the purposes of this subdivision, "other debt" means a contractual obligation for which the intermediate district does not have specific authority to levy, except for the levy authorized for special education and secondary vocational education according to section 124.2727, and for which money is not appropriated in the current year's budget. It includes tax and aid anticipation certificates of indebtedness and warrants; however, the procedures for the issuance of tax and aid anticipation certificates and warrants shall be the same as those provided in chapters 124 and 475.

Sec. 23. Minnesota Statutes 1991 Supplement, section 136D.71, subdivision 2, is amended to read:

**Subd. 2. [LIMITATION ON PARTICIPATION AND FINANCIAL SUPPORT MEMBERSHIP.]** (a) No school district shall be required by an agreement or otherwise to participate in or provide financial support for to be a participating district in an intermediate school district for a time period in excess of one fiscal year longer than that set forth in this subdivision. Any agreement, part of an agreement, or other type of requirement to the contrary is void.

(b) This subdivision shall not affect the continued liability of a school district for its share of bonded indebtedness or other debt incurred by the intermediate school district before June 5, 1991. The school district is liable only until the obligation or debt is discharged and only according to the payment schedule in effect on June 5, 1991, except that the payment schedule may be altered for the purpose of restructuring debt or refunding bonds outstanding on June 5, 1991, if the annual payments of the school district are not increased and if the total obligation of the school district for its share of outstanding bonds or other debt is not increased.

(c) To cease participating in or providing financial support for any of the services or activities provided by the intermediate district or To withdraw from the an intermediate district, the a school board shall adopt a resolution and notify the intermediate board of its decision on or before February 1 of any year. The cessation or Withdrawal shall be effective June 30 of the same year or, at the option of the school board, June 30 of the following fiscal year, unless the withdrawing school district and the intermediate district agree

to a different date. The intermediate board shall file a copy of the withdrawal resolution with the county auditors of the counties in which the intermediate district is located in whole or in part.

~~(d)~~ (c) In addition to the requirements of section 136D.741, before issuing bonds or incurring other debt, the board of an intermediate district shall adopt a resolution proposing to issue bonds or incur other debt and the proposed financial effect of the bonds or other debt upon each participating school district. The resolution shall be adopted within a time sufficient to allow the school board to adopt a resolution within the time permitted by this paragraph subdivision and before any election required by chapter 475 is conducted. The resolution shall also be adopted within a time sufficient to allow the intermediate board and the school board of a participating district to comply with the statutory deadlines set forth in sections 122.895, 125.12, and 125.17. The intermediate board shall notify each participating school board of a participating school district of the contents of the resolution. Within 120 60 days of receiving the resolution of the intermediate board, the school board of the participating district shall adopt a resolution stating:

- (1) its concurrence with issuing bonds or incurring other debt; or
- (2) its intention to cease participating in or providing financial support for the service or activity related to the bonds or other debt; or
- (3) its intention to withdraw from the intermediate district.

A school board adopting a resolution according to clause (1) is liable for its share of bonded indebtedness or other debt as proposed by the board of the intermediate district. A school board adopting a resolution according to clause (2) is not liable for the bonded indebtedness or other debt, as proposed by the board of the intermediate district, related to the services or activities in which the school district ceases participating or providing financial support. A school board adopting a resolution according to clause (3) (2) is not liable for the bonded indebtedness or other debt as proposed by the board of the intermediate district. Failure of a school board to adopt a resolution within the required time period shall constitute concurrence with issuing bonds or incurring other debt.

(e) After June 5, 1991 (d) Except as provided in paragraph (c), a school district is that withdraws from the intermediate district remains liable according to paragraph (d) for its share of bonded indebtedness or other debt incurred by the intermediate district to the extent that the bonds or other debt are directly related to the services or activities in which the school district participates or for which the school district provides financial support. The school district has continued liability only until the obligation bonds are retired or the debt is discharged and only according to the payment

schedule in effect at the time the school board of the intermediate district provides notice of withdrawal to the school board intermediate district, except that the payment schedule may be altered for the purpose of refunding the outstanding bonds or restructuring other debt if the annual payments of the school district are not increased and if the total obligation of the school district for the outstanding bonds or other debt is not increased.

(e) For the purposes of this subdivision, "other debt" means a contractual obligation for which the intermediate district does not have specific authority to levy, except for the levy authorized for special education and secondary vocational education according to section 124.2727, and for which money is not appropriated in the current year's budget. It includes tax and aid anticipation certificates of indebtedness and warrants; however, the procedures for the issuance of tax and aid anticipation certificates and warrants shall be the same as those provided in chapters 124 and 475.

Sec. 24. Minnesota Statutes 1990, section 136D.75, is amended to read:

136D.75 [STATE BOARD APPROVAL TO RUN TECHNICAL COLLEGE, ISSUE BONDS.]

Prior to the commencement of the operation of any technical college, the intermediate school board shall obtain the approval of the state board of education. Prior to the issuance of any bonds contemplated by sections 136D.71 to 136D.77 for post-secondary technical education, written approval by the state board of education technical colleges shall be obtained.

Sec. 25. Minnesota Statutes 1991 Supplement, section 136D.76, subdivision 2, is amended to read:

Subd. 2. [JOINDER.] An independent school district must receive the approval of the state board of education and the state board of technical colleges to become a participant in the intermediate school district. Thereafter, Upon approval of the majority vote of its the school district board and of the intermediate school board and without the requirement for an election, independent school district No. 138 of Chisago and Isanti counties and independent school district No. 141 of Chisago and Washington counties, and any other independent school district adjoining the territory embraced in the intermediate school district may become a participant in the intermediate school district and be governed by the provisions of sections 136D.71 to 136D.77 thereafter. The net tax capacity of the property within the geographic confines of such district shall become proportionately liable for any indebtedness issued, outstanding or authorized of the intermediate school district.

Sec. 26. Minnesota Statutes 1991 Supplement, section 136D.82, subdivision 3, is amended to read:

Subd. 3. [LIMITATION ON PARTICIPATION AND FINANCIAL SUPPORT MEMBERSHIP.] (a) No school district shall be required by an agreement or otherwise to participate in or provide financial support for to be a participating district in an intermediate school district for a time period in excess of one fiscal year longer than that set forth in this subdivision. Any agreement, part of an agreement, or other type of requirement to the contrary is void.

(b) This subdivision shall not affect the continued liability of a school district for its share of bonded indebtedness or other debt incurred by the intermediate school district before June 5, 1991. The school district is liable only until the obligation or debt is discharged and only according to the payment schedule in effect on June 5, 1991, except that the payment schedule may be altered for the purpose of restructuring debt or refunding bonds outstanding on June 5, 1991, if the annual payments of the school district are not increased and if the total obligation of the school district for its share of outstanding bonds or other debt is not increased.

(c) To cease participating in or providing financial support for any of the services or activities provided by the intermediate district or To withdraw from the an intermediate district, the a school board shall adopt a resolution and notify the intermediate board of its decision on or before February 1 of any year. The cessation or Withdrawal shall be effective June 30 of the same year or, at the option of the school board, June 30 of the following fiscal year, unless the withdrawing school district and the intermediate district agree to a different date. The intermediate board shall file a copy of the withdrawal resolution with the county auditors of the counties in which the intermediate district is located in whole or in part.

(d) (c) In addition to the requirements of section 136D.88, before issuing bonds or incurring other debt, the board of an intermediate district shall adopt a resolution proposing to issue bonds or incur other debt and the proposed financial effect of the bonds or other debt upon each participating school district. The resolution shall be adopted within a time sufficient to allow the school board to adopt a resolution within the time permitted by this paragraph subdivision and before any election required by chapter 475 is conducted. The resolution shall also be adopted within a time sufficient to allow the intermediate board and the school board of a participating district to comply with the statutory deadlines set forth in sections 122.895, 125.12, and 125.17. The intermediate board shall notify each participating school board of a participating school district of the contents of the resolution. Within 120 60 days of receiving the resolution of the intermediate board, the school board of the participating district shall adopt a resolution stating:

(1) its concurrence with issuing bonds or incurring other debt; or

(2) its intention to cease participating in or providing financial support for the service or activity related to the bonds or other debt; or

(3) its intention to withdraw from the intermediate district.

A school board adopting a resolution according to clause (1) is liable for its share of bonded indebtedness or other debt as proposed by the board of the intermediate district. A school board adopting a resolution according to clause (2) is not liable for the bonded indebtedness or other debt, as proposed by the board of the intermediate district, related to the services or activities in which the school district ceases participating or providing financial support. A school board adopting a resolution according to clause (3) (2) is not liable for the bonded indebtedness or other debt as proposed by the board of the intermediate district. Failure of a school board to adopt a resolution within the required time period shall constitute concurrence with issuing bonds or incurring other debt.

(e) After June 5, 1991 (d) Except as provided in paragraph (c), a school district is that withdraws from the intermediate district remains liable according to paragraph (d) for its share of bonded indebtedness or other debt incurred by the intermediate district to the extent that the bonds or other debt are directly related to the services or activities in which the school district participates or for which the school district provides financial support. The school district has continued liability only until the obligation bonds are retired or the debt is discharged and only according to the payment schedule in effect at the time the school board of the intermediate district provides notice of withdrawal to the school board intermediate district, except that the payment schedule may be altered for the purpose of refunding the outstanding bonds or restructuring other debt if the annual payments of the school district are not increased and if the total obligation of the school district for the outstanding bonds or other debt is not increased.

(e) For the purposes of this subdivision, "other debt" means a contractual obligation for which the intermediate district does not have specific authority to levy, except for the levy authorized for special education and secondary vocational education according to section 124.2727, and for which money is not appropriated in the current year's budget. It includes tax and aid anticipation certificates of indebtedness and warrants; however, the procedures for the issuance of tax and aid anticipation certificates and warrants shall be the same as those provided in chapters 124 and 475.

Sec. 27. Minnesota Statutes 1991 Supplement, section 275.125, subdivision 11g, is amended to read:



Subd. 11g. [EXTRA CAPITAL EXPENDITURE LEVY FOR INTERACTIVE TELEVISION.] A school district with its central administrative office located within economic development region one, two, three, four, five, ~~six~~, seven, eight, ~~nine~~, and ten may levy up to .5 percent of the adjusted net tax capacity of the district for the construction, maintenance, and lease costs of an interactive television system for instructional purposes. The approval by the commissioner of education and the application procedures set forth in subdivision 11d shall apply to the levy authority in this subdivision.

Sec. 28. Laws 1991, chapter 265, article 6, section 64, subdivision 6, is amended to read:

Subd. 6. [STATE BOARD OF EDUCATION REPORTS TO THE LEGISLATURE.] (a) The state board of education shall set a date by which school districts must submit their plan to the board. The board shall report to the legislature by February 1, 1992, and January 1, 1993 on school district progress in the planning process. ~~The board shall make a final report to the legislature by January 1, 1993 1994.~~ The final report must contain recommendations for the design of an education service delivery system in accordance with this section and recommendations for legislation required to implement the system.

~~(b) The report must include recommendations specifying at which organizational level of the education delivery system described in subdivision 3 collective bargaining could take place most effectively and efficiently. The board must consult with the bureau of mediation services in developing these recommendations.~~

~~(c) The final report must include recommendations of the legislative commission on children, youth, and their families established according to article 8, section 1 on coordinating local health, correctional, educational, job, and human services to improve the efficiency and effectiveness of services to children and families and to eliminate duplicative and overlapping services.~~

Sec. 29. Laws 1991, chapter 265, article 6, section 67, subdivision 3, is amended to read:

Subd. 3. [JULY 1, 1993.] Minnesota Statutes 1990, sections 121.935, subdivision 5; ~~121.91~~ 122.91, subdivision 7; 122.945, subdivision 4; 124.2721, subdivision 3a; and 124.535, subdivision 3a.

Sec. 30. Laws 1991, chapter 265, article 6, section 68, is amended to read:

Sec. 68. [EFFECTIVE DATE.]

Sections 2, 3, 6, 7, 8, 9, 12, 14, 16, and 17 are effective for school

districts with an effective date of reorganization according to Minnesota Statutes, section 122.22 or 122.23 after June 30, 1990, and for school districts that certified a levy according to Minnesota Statutes, section 124.2725 after July 1, 1989.

Sections 39, 47, 48, 49, 50, 51, 52, 53, 54, 55, 57, 58, 59, and 67, subdivision 2, are effective the day following final enactment.

Sections 4, 5, 20, 22, 23, 24, 25, 26, 28, 30, 31, 32, 33, 41, 42, 43, 44, 45, and 67, subdivision 3, are effective July 1, ~~1993~~ 1995.

**Sec. 31. [INTERMEDIATE LEVY INCREASE.]**

Notwithstanding any law to the contrary, to restore a portion of the revenue reduction imposed by Laws 1991, chapter 265, article 6, section 60, paragraph (b), an intermediate school district may levy in 1992 for taxes payable in 1993 up to an amount equal to one-sixth of the 1990 payable 1991 levy for special education and secondary vocational education certified by the intermediate school district times 21/27. Notwithstanding Laws 1991, chapter 265, article 6, section 60, and Minnesota Statutes, section 121.904, the adjustment to the 1991 payable 1992 levy required by Laws 1991, chapter 265, article 6, section 60, and the amount of the levy permitted by this section shall be recognized as revenue for fiscal year 1993.

**Sec. 32. [SECONDARY VOCATIONAL COOPERATIVE LEVY ADJUSTMENT FOR FISCAL YEAR 1993.]**

Notwithstanding any other law to the contrary, a school district that certified a levy under Minnesota Statutes, section 124.575, subdivision 3, in 1991 for taxes payable in 1992 may levy in 1992 for taxes payable in 1993 up to an amount equal to:

(1) the amount of aid calculated for fiscal year 1993 under Minnesota Statutes, section 124.575, subdivision 4, for the secondary vocational cooperative to which the school district belonged, times

(2) the ratio of the adjusted net tax capacity of the school district to the adjusted net tax capacity of the secondary vocational cooperative.

The amount of levy permitted under this section shall be transferred to the secondary vocational cooperative according to Minnesota Statutes, section 124.575, subdivision 3a.

**Sec. 33. [EDUCATION DISTRICT LEVY ADJUSTMENT FOR FISCAL YEAR 1993.]**

Notwithstanding any other law to the contrary, a school district

that certified a levy under Minnesota Statutes, section 124.2721, subdivision 3, in 1991 for taxes payable in 1992 may levy in 1992 for taxes payable in 1993 up to an amount equal to:

(1) the amount of aid calculated for fiscal year 1993 under Minnesota Statutes, section 124.2721, subdivision 4, for the education district to which the school district belonged, times

(2) the ratio of the adjusted net tax capacity of the school district to the adjusted net tax capacity of the education district.

The amount of the levy permitted under this section shall be transferred to the education district board according to Minnesota Statutes, section 124.2721, subdivision 3a.

**Sec. 34. [REORGANIZATION OPERATING DEBT FOR CERTAIN DISTRICTS.]**

Notwithstanding Minnesota Statutes, section 121.915, if independent school districts No. 237, Spring Valley; and No. 236, Wykoff, conduct a successful referendum in 1992 on the question of combination, the reorganization operating debt for independent school districts No. 237, Spring Valley; and No. 236, Wykoff, shall be calculated according to Minnesota Statutes, section 121.915, except that the debt may be calculated as of June 30, 1993.

**Sec. 35. [LAC QUI PARLE COOPERATION REVENUE.]**

Subdivision 1. Notwithstanding any other law to the contrary, if the members of joint school district No. 6011, Lac Qui Parle Valley meet the requirements of Minnesota Statutes 1990, sections 122.241 to 122.246, they shall be eligible for revenue under Minnesota Statutes, section 124.2725.

Subd. 2. The authority in subdivision 1 expires if the members of joint school district No. 6011 have not combined according to Minnesota Statutes 1990, section 122.244, by July 1, 1996.

Subd. 3. Joint school district No. 6011, Lac Qui Parle Valley, may certify a levy on all the taxable property in the joint district for costs associated with the establishment of the joint district. The levy authorized under this section must not exceed \$400,000 in total and must be certified in equal amounts over each year of a five-year period.

**Sec. 36. [ISLE SCHOOL DISTRICT LEVY.]**

In 1992 only, in addition to other levies allowed by law, independent school district No. 473, Isle, may levy up to \$40,000 to cover the

costs of a cable to Onamia, and for related costs associated with implementing an interactive television system.

Sec. 37. [INTERACTIVE TELEVISION CONSORTIUM LEVY.]

In 1992 only, in addition to other levies allowed by law, independent school districts No. 97, Moose Lake; No. 91, Barnum; No. 93, Carlton; No. 95, Cromwell; No. 99, Esko; No. 698, Floodwood; No. 577, Willow River; and No. 100, Wrenshall, may levy up to a total of \$200,000 to cover costs associated with the interactive television consortium to which the districts belong. The member districts shall allocate the \$200,000 among the member districts of the interactive television consortium specified in this section.

Sec. 38. [CONSOLIDATION DEADLINE EXCEPTION.]

Notwithstanding Minnesota Statutes, section 122.23, subdivision 13, the effective date of the consolidation of independent school districts No. 460, Granada-Huntley; and No. 453, East Chain, shall be at least one month after the day when the date must be set, according to Minnesota Statutes, section 123.23, subdivision 13, and shall be July 1 of an odd-numbered year unless an even-numbered year is agreed upon according to Minnesota Statutes, section 122.23, subdivision 13a.

Sec. 39. [RUNESTONE TELECOMMUNICATIONS SYSTEM LEVY.]

In 1992 only, in addition to other levies allowed by law, the member districts of the Runestone telecommunications system, independent school districts No. 207, Brandon; No. 208, Evansville; No. 206, Alexandria, and the member districts of the joint school district No. 6046, Minnewaska, may levy up to a total of \$80,000 for interactive television studio construction and equipment. The member districts of the Runestone telecommunications system shall allocate the \$80,000 among the school districts specified in this section.

Sec. 40. [REPEALER.]

Subdivision 1. [JUNE 1991.] Minnesota Statutes 1990, section 136D.76, subdivision 3; Minnesota Statutes 1991 Supplement, sections 124.2727, subdivisions 1, 2, 3, 4, and 5; and 136D.90, subdivision 2, are repealed as of June 1, 1991.

Subd. 2. [JULY 1, 1992.] Minnesota Statutes 1990, section 136D.74, subdivision 3; Minnesota Statutes 1991 Supplement, sections 121.935, subdivisions 7 and 8; and 124.2721, subdivisions 5a and 5b, are repealed. Laws 1991, chapter 265, article 9, section 73, is repealed.

Subd. 3. [JULY 1, 1995.] Section 18 is repealed July 1, 1995.

Sec. 41. [EFFECTIVE DATE.]

Sections 18, 22, 23, 26, and 40, subdivision 1, are effective retroactively to June 1, 1991. Section 38 is effective the day of its final enactment. Sections 5 and 15 are effective July 1, 1992. Section 40, subdivision 3, is effective July 1, 1995.

Sec. 42. [INSTRUCTION TO THE REVISOR.]

In the next edition of Minnesota Statutes, wherever the terms in column B appear in the sections in column A, the revisor of statutes shall delete each term in column B and insert the term in column C.

<u>Column A</u>	<u>Column B</u>	<u>Column C</u>
<u>124.2721, subdivision 1a</u>	<u>1992</u>	<u>1993</u>
<u>124.2721, subdivision 1a</u>	<u>1993</u>	<u>1994</u>
<u>124.2721, subdivision 2a</u>	<u>1994</u>	<u>1996</u>
<u>124.2721, subdivision 3b</u>	<u>1994</u>	<u>1996</u>
<u>124.2721, subdivision 4a</u>	<u>1994</u>	<u>1996</u>
<u>124.575, subdivision 1a</u>	<u>1992</u>	<u>1993</u>
<u>124.575, subdivision 1a</u>	<u>1993</u>	<u>1994</u>
<u>124.575, subdivision 1a</u>	<u>1994</u>	<u>1996</u>
<u>124.575, subdivision 2a</u>	<u>1994</u>	<u>1996</u>
<u>124.575, subdivision 3b</u>	<u>1994</u>	<u>1996</u>
<u>124.575, subdivision 4a</u>	<u>1994</u>	<u>1996</u>

## ARTICLE 7

### OTHER PROGRAM FUNDING

Section 1. Minnesota Statutes 1991 Supplement, section 121.912, subdivision 6, is amended to read:

Subd. 6. [ACCOUNT TRANSFER FOR REORGANIZING DISTRICTS.] (a) A school district that has reorganized according to section 122.22, 122.23, or sections 122.241 to 122.248 may make permanent transfers between any of the funds in the newly created or enlarged district with the exception of the debt redemption fund. Fund transfers under this section may be made only during the year following the effective date of reorganization.

(b) A district that has conducted a successful referendum on the question of combination under section 122.243, subdivision 2, may make permanent transfers between any of the funds in the district with the exception of the debt redemption fund for up to one year prior to the effective date of combination under sections 122.241 to 122.248.

Sec. 2. Minnesota Statutes 1990, section 124.85, subdivision 4, is amended to read:

Subd. 4. [DISTRICT ACTION.] A district may enter into a guaranteed energy savings contract with a qualified provider if, after review of the report, it finds that the amount it would spend on the energy conservation measures recommended in the report is not likely to exceed the amount to be saved in energy and operation costs over ten years from the date of installation if the recommendations in the report were followed, and the qualified provider provides a written guarantee that the energy or operating cost savings will meet or exceed the costs of the system. The guaranteed energy savings contract may provide for payments over a period of time, not to exceed ten years. Notwithstanding section 121.912, a district annually may transfer from the general fund to the capital expenditure fund the amounts saved in energy and operation costs as a result of guaranteed energy savings contracts.

Sec. 3. [124C.62] [SUMMER HEALTH CARE INTERNS.]

Subdivision 1. [SUMMER INTERNSHIPS.] The commissioner of education shall award grants to hospitals and clinics to establish a summer health care intern program for pupils who intend to complete high school graduation requirements and who are between their junior and senior year of high school. The purpose of the program is to expose interested high school pupils to various careers within the health care profession.

Subd. 2. [CRITERIA.] (a) The commissioner, with the advice of the Minnesota medical association and the Minnesota hospital association, shall establish criteria for awarding grants to hospitals and clinics.

(b) The criteria must include, among other things:

(1) the kinds of formal exposure to the health care profession a hospital or clinic can provide to a pupil;

(2) the need for health care professionals in a particular area; and

(3) the willingness of a hospital or clinic to pay one-half the costs of employing a pupil.

(c) The Minnesota medical association and the Minnesota hospital association must provide the commissioner, by January 31, 1993, with a list of hospitals and clinics willing to participate in the program and what provisions those hospitals or clinics will make to ensure a pupil's adequate exposure to the health care profession, and indicate whether a hospital or clinic is willing to pay one-half the costs of employing a pupil.

Subd. 3. [GRANTS.] The commissioner shall award grants to hospitals and clinics meeting the requirements of subdivision 2. The grants must be used to pay one-half of the costs of employing a pupil in a hospital or clinic during the course of the program. No more than five pupils may be selected from any one high school to participate in the program and no more than one-half of the number of pupils selected may be from the seven-county metropolitan area.

Sec. 4. Minnesota Statutes 1991 Supplement, section 275.125, subdivision 6j, is amended to read:

Subd. 6j. [LEVY FOR CRIME RELATED COSTS.] For taxes levied in 1991 and subsequent years, payable in 1992 only and subsequent years, each school district may make a levy on all taxable property located within the school district for the purposes specified in this subdivision. The maximum amount which may be levied for all costs under this subdivision shall be equal to \$1 multiplied by the population of the school district. For purposes of this subdivision, "population" of the school district means the same as contained in section 275.14. The proceeds of the levy must be used for reimbursing the cities and counties who contract with the school district for the following purposes: (1) to pay the costs incurred for the salaries, benefits, and transportation costs of peace officers and sheriffs for liaison services in the district's middle and secondary schools; and (2) to teach drug abuse resistance education curricula pay the costs for a drug abuse prevention program as defined in section 609.101, subdivision 3, paragraph (f) in the elementary schools; and (3) to pay the costs incurred for the salaries and benefits of peace officers and sheriffs whose primary responsibilities are to investigate controlled substance crimes under chapter 152. The school district must initially attempt to contract for these services with the police department of each city or the sheriff's department of the county within the school district containing the school receiving the services. If a local police department or a county sheriff's department does not wish to provide the necessary services, the district may contract for these services with any other police or sheriff's department located entirely or partially within the school district's boundaries. The levy authorized under this subdivision is not included in determining the school district's levy limitations and must be disregarded in computing any overall levy limitations under sections 275.50 to 275.56 of the participating cities or counties.

Sec. 5. Laws 1991, chapter 265, article 8, section 14, is amended to read:

Sec. 14. [NONOPERATING FUND TRANSFERS.]

On June 30, 1992, a school district may permanently transfer money from the capital expenditure fund facilities or equipment accounts and from the debt redemption fund, to the extent the transferred money is not needed for principal and interest payments

on bonds outstanding at the time of transfer, to the transportation fund, capital expenditure fund, or the debt redemption fund. A transfer must not be made from the capital expenditure facilities or equipment accounts that results in a deficit account balance in either account or a deficit in the combined account balance for facilities and equipment as of June 30, 1992. No levies shall be reduced as a result of a transfer. Each district transferring money according to this section from the capital expenditure facilities or equipment accounts shall report to the commissioner of education a report of on each transfer. A district must not transfer money from the debt redemption fund to the capital expenditure fund or to the transportation fund without prior approval from the commissioner of education. The commissioner shall approve a transfer from the debt redemption fund only if the district retired its bonded indebtedness during fiscal year 1992 or the district's 1991 payable 1992 debt service levy was reduced to zero according to Minnesota Statutes, section 475.61, subdivision 3. The commissioner of education shall report to the chairs of the education funding divisions of the house of representatives and the senate the aggregate transfers, by fund, made by school districts.

Sec. 6. [FUND TRANSFER; NASHWAUK-KEEWATIN.]

Notwithstanding Minnesota Statutes, section 121.912, subdivision 1, or any other law to the contrary, on June 30, 1992, independent school district No. 319, Nashwauk-Keewatin, may permanently transfer \$40,000 from the bus purchase account to the capital expenditure fund without making a levy reduction.

Sec. 7. [FUND TRANSFER; LESTER PRAIRIE.]

Notwithstanding any law to the contrary, on June 30, 1992, independent school district No. 424, Lester Prairie, may transfer \$100,000 from its general fund to its capital expenditure fund to purchase computer and interactive television equipment that the district is leasing.

Sec. 8. [FUND TRANSFER; RANDOLPH.]

Notwithstanding Minnesota Statutes, section 121.912, subdivision 1, or any other law to the contrary, on June 30, 1992, independent school district No. 195, Randolph, may permanently transfer money from any operating fund and any nonoperating fund other than the debt redemption fund to the general fund.

Sec. 9. [NETT LAKE; CARRYFORWARD.]

The appropriations for grants to Nett Lake for unemployment compensation payments and insurance premiums contained in Laws



1991, chapter 265, article 8, section 19, subdivision 14, do not cancel and the balances are available in fiscal year 1993.

Sec. 10. [APPROPRIATION; GRANT FOR SCIENCE AND MATH.]

\$150,000 in fiscal year 1993 is appropriated from the general fund to the commissioner of education to supplement a grant from the National Science Foundation. The appropriation is for a systemic initiative in science and mathematics education.

Sec. 11. [APPROPRIATION.]

(a) Money appropriated in Laws 1990, chapter 562, article 12, section 2, for a summer health intern program does not cancel but is available to the commissioner for the fiscal year ending June 30, 1993, as specified in this section:

(1) \$12,000 is available for the operating expenses of the Minnesota education in agriculture leadership council; and

(2) the remaining amount is available for purposes of section 3.

(b) Up to ten percent of the amount in paragraph (a), clause (2) may be used by the commissioner to secure services of vocational licensed instructors or other health personnel to coordinate and facilitate the internship program.

Sec. 12. [REPEALER.]

Minnesota Statutes 1990, section 124.274; and Laws 1990, chapter 562, article 12, are repealed.

Sec. 13. [EFFECTIVE DATE.]

Sections 1, 3, 5, 6, 7, 8, 9, 11, and 12 are effective the day following final enactment.

## ARTICLE 8

### MISCELLANEOUS

Section 1. Minnesota Statutes 1990, section 120.101, subdivision 5, is amended to read:

Subd. 5. [AGES AND TERMS.] For the 1988-1989 school year and the school years thereafter, every child between seven and 16 years of age shall receive instruction for at least 170 days each year, or their equivalent in hours per day, as provided in the rules of the

state board, times 170. For the 2000-2001 school year and later school years, every child between seven and 18 years of age shall receive instruction for at least 170 days each year, or their equivalent in hours per day, as provided in the rules of the state board, times 170. Every child under the age of seven who is enrolled in a half-day kindergarten, or a full-day kindergarten program on alternate days, or other kindergarten programs shall receive instruction at least equivalent to 170 half days. Except as provided in subdivision 5a, a parent may withdraw a child under the age of seven from enrollment at any time.

Sec. 2. Minnesota Statutes 1990, section 120.102, subdivision 1, is amended to read:

Subdivision 1. [REPORTS TO SUPERINTENDENT.] The person in charge of providing instruction to a child shall submit the following information to the superintendent of the district in which the child resides:

(1) by October 1 of each school year, the name, age, and address of each child receiving instruction;

(2) the name of each instructor and evidence of compliance with one of the requirements specified in section 120.101, subdivision 7;

(3) an annual instructional calendar showing that instruction will occur at least equivalent to 170 days; and

(4) for each child instructed by a parent who meets only the requirement of section 120.101, subdivision 7, clause (6), a quarterly report card on the achievement of the child in each subject area required in section 120.101, subdivision 6.

Sec. 3. Minnesota Statutes 1990, section 121.11, is amended by adding a subdivision to read:

Subd. 17. [TEAM NAMES.] The state board shall not adopt any rule that prohibits a school district from selecting team names, mascots, emblems, symbols, or logos for any extracurricular activity.

Sec. 4. Minnesota Statutes 1990, section 121.16, subdivision 1, is amended to read:

Subdivision 1. The department shall be under the administrative control of the commissioner of education which office is established. The commissioner shall be the secretary of the state board. The commissioner shall be appointed by the state board with the approval of the governor under the provisions of section 15.06. For purposes of section 15.06, the state board is the appointing authority.

The commissioner shall be a person who possesses educational attainment and breadth of experience in the administration of public education and of the finances pertaining thereto commensurate with the spirit and intent of this code. Notwithstanding any other law to the contrary, the commissioner may appoint two deputy commissioners who shall serve in the unclassified service. The commissioner shall also appoint other employees as may be necessary for the organization of the department. The commissioner shall perform such duties as the law and the rules of the state board may provide and be held responsible for the efficient administration and discipline of the department. The commissioner shall make recommendations to the board and be charged with the execution of powers and duties which the state board may prescribe, from time to time, to promote public education in the state, to safeguard the finances pertaining thereto, and to enable the state board to carry out its duties.

Sec. 5. Minnesota Statutes 1991 Supplement, section 121.585, subdivision 3, is amended to read:

Subd. 3. [HOURS OF INSTRUCTION.] Pupils participating in a program must be able to receive the same total number of hours of instruction they would receive if they were not in the program. If a pupil has not completed the graduation requirements of the district after completing the minimum number of secondary school hours of instruction, the district may allow the pupil to continue to enroll in courses needed for graduation.

For the purposes of section 120.101, subdivision 5, the minimum number of hours for a year determined for the appropriate grade level of instruction shall constitute 170 days through the 1994-1995 school year and the number of days of instruction required under section 120.101, subdivision 5b thereafter. Hours of instruction that occur after the close of the instructional year in June shall be attributed to the following fiscal year.

Sec. 6. Minnesota Statutes 1990, section 123.744, as amended by Laws 1991, chapter 265, article 9, section 41, as reenacted, is amended to read:

[123.744] [SCHOOL BOARDS; STUDENT MEMBERS.]

The board of directors of any school district shall appoint a student to serve as an advisory member to the school board or shall establish a youth advisory council to make formal and informal recommendations to the school board. If a student advisory member is appointed to the board, the student shall serve as an advisory member to the board only while attending school in the district, and shall not receive any compensation or be reimbursed. The board may reimburse the student advisory member for any expenses incurred the student incurs while serving in this capacity on the board.

A student advisory member shall be permitted to attend school board meetings, to be furnished with agenda materials, to introduce items for inclusion in the agenda, and to participate in discussion but shall not be entitled to vote.

If a youth advisory council is established, the board shall meet with council members at least three times per year to discuss education matters and board actions affecting the district student population.

Neither the student member nor youth advisory council members may participate in any closed discussion concerning the negotiation or implementation of a collective bargaining agreement and must not be present at a closed meeting permitted under section 471.705, subdivision 1a or 1d.

Sec. 7. Minnesota Statutes 1991 Supplement, section 124.19, subdivision 1, is amended to read:

Subdivision 1. [INSTRUCTIONAL TIME.] Every district shall maintain school in session or provide instruction in other districts ~~for~~ at least the equivalent to the number of days required in section 120.101, subdivision ~~1b~~ 5b, not including summer school, or the equivalent in a district operating a flexible school year program. A district that holds school for the required minimum ~~number of days~~ and is otherwise qualified is entitled to state aid as provided by law. If school is not held for the required minimum ~~number of days~~, state aid shall be reduced by the ratio that the difference between the required ~~number of days~~ minimum and the ~~number of days~~ amount school is held bears to the required ~~number of days~~ minimum, multiplied by 60 percent of the basic revenue, as defined in section 124A.22, subdivision 2, of the district for that year. However, districts maintaining school for fewer than the required minimum ~~number of days~~ do not lose state aid (1) if the circumstances causing loss of school ~~days~~ below the required minimum ~~number of days~~ are beyond the control of the board, (2) if proper evidence is submitted, and (3) if a good faith attempt made to make up time lost due to these circumstances. The loss of school ~~days~~ resulting from a lawful employee strike shall not be considered a circumstance beyond the control of the board. Days Time devoted to meetings authorized or called by the commissioner may not be included as part of the required minimum ~~number of days~~ of school. For grades 1 to 12, days time devoted to parent-teacher conferences, teachers' workshops, or other staff development opportunities as part of the required minimum ~~number of days~~ must not exceed the difference between the ~~number of days~~ time required in subdivision 1b and the ~~number of~~ instructional days time required in section 120.101, subdivision ~~1b~~ 5b. For kindergarten, days time devoted to parent-teacher conferences, teachers' workshops, or other staff development opportunities as part of the required minimum number of days must not exceed twice the ~~number of days~~ time for grades 1 to 12.

Sec. 8. Minnesota Statutes 1991 Supplement, section 124.19, subdivision 1b, is amended to read:

Subd. 1b. [REQUIRED DAYS.] Each district shall maintain school in session or provide instruction in other districts ~~for~~ at least equivalent to the number of days required for the school years listed below:

- (1) 1995-1996, 177;
- (2) 1996-1997, 179;
- (3) 1997-1998, 181;
- (4) 1998-1999, 183;
- (5) 1999-2000, 185;
- (6) 2000-2001, 187;
- (7) 2001-2002, 189;
- (8) 2002-2003, 191;
- (9) 2003-2004, 193; and
- (10) 2004-2005, and later school years, 195.

Sec. 9. Minnesota Statutes 1991 Supplement, section 124.646, subdivision 4, is amended to read:

Subd. 4. [SCHOOL FOOD SERVICE FUND.] (a) The expenses described in this subdivision must be recorded as provided in this subdivision.

(b) In each school district, the expenses for a school food service program for pupils must be attributed to a school food service fund. Under a food service program, the school food service may prepare or serve milk, meals, or snacks in connection with school or community service activities.

(c) Revenues and expenditures for food service activities must be recorded in the food service fund. The costs of processing applications, accounting for meals, preparing and serving food, providing kitchen custodial services, and other expenses involving the preparing of meals or the kitchen section of the lunchroom may be charged to the food service fund or to the general fund of the district. The costs of lunchroom supervision, lunchroom custodial services, lunchroom utilities, and other administrative costs of the food service

program, including the costs attributable to the superintendent and the financial manager must be charged to the general fund.

That portion of superintendent and fiscal manager costs that can be documented as attributable to the food service program may be charged to the food service fund.

(d) Capital expenditures for the purchase of food service equipment must be made from the capital fund and not the food service fund, unless two conditions apply:

(1) the unreserved balance in the food service fund at the end of the last fiscal year is greater than the cost of the equipment to be purchased; and

(2) the department of education has approved the purchase of the equipment.

(e) If the two conditions set out in paragraph (d) apply, the equipment may be purchased from the food service fund.

(f) If a deficit in the food service fund exists at the end of a fiscal year, and the deficit is not eliminated by revenues from food service operations in the next fiscal year, then the deficit must be eliminated by a permanent fund transfer from the general fund at the end of that second fiscal year.

(g) Notwithstanding paragraph (f), a district may incur a deficit in the food service fund for up to three years without making the permanent transfer if the district submits to the commissioner before the end of the second fiscal year a plan for eliminating that deficit at the end of the third fiscal year.

(h) If a surplus in the food service fund exists at the end of a fiscal year, a district may recode the costs of lunchroom supervision, lunchroom custodial services, lunchroom utilities, and other administrative costs of the food service program charged to the general fund according to paragraph (c) and charge those costs to the food service fund in a total amount not to exceed the amount of surplus in the food service fund.

Sec. 10. Minnesota Statutes 1990, section 124C.61, is amended to read:

#### 124C.61 [PARENTAL INVOLVEMENT PROGRAMS.]

Subdivision 1. [PROGRAM GOALS.] The department of education, in consultation with the state curriculum advisory committee, must develop guidelines and model plans for parental involvement programs that will:

(1) engage the interests and talents of parents or guardians in recognizing and meeting the emotional, intellectual, and physical needs of their school-age children;

(2) promote healthy self-concepts among parents or guardians and other family members;

(3) offer parents or guardians a chance to share and learn about educational skills, techniques, and ideas; and

(4) provide creative learning experiences for parents or guardians and their school-age children, including involvement from parents or guardians of color; and

(5) encourage parents to actively participate in their district's curriculum advisory committee under section 126.666 in order to assist the school board in improving children's education programs.

Subd. 2. [PLAN CONTENTS.] Model plans for a parental involvement program must include at least the following:

(1) program goals;

(2) means for achieving program goals;

(3) methods for informing parents or guardians, in a timely way, about the program;

(4) strategies for ensuring the full participation of parents or guardians, including those parents or guardians who lack literacy skills or whose native language is not English, including involvement from parents or guardians of color;

(5) procedures for coordinating the program with kindergarten through grade 12 curriculum, with parental involvement programs currently available in the community, with the PER process under sections 126.661 to 126.67, and with other education facilities located in the community;

(6) strategies for training teachers and other school staff to work effectively with parents and guardians;

(7) procedures for parents or guardians and educators to evaluate and report progress toward program goals; and

(8) a mechanism for convening a local community advisory committee composed primarily of parents or guardians to advise a district on implementing a parental involvement program.

Subd. 3. [PLAN ACTIVITIES.] Activities contained in the model plans must include:

(1) educational opportunities for families that enhance children's learning development;

(2) educational programs for parents or guardians on families' educational responsibilities and resources;

(3) the hiring, training, and use of parental involvement liaison workers to coordinate family involvement activities and to foster communication among families, educators, and students;

(4) curriculum materials and assistance in implementing home and community-based learning activities that reinforce and extend classroom instruction and student motivation;

(5) technical assistance, including training to design and carry out family involvement programs;

(6) parent resource centers;

(7) parent training programs and reasonable and necessary expenditures associated with parents' attendance at training sessions;

(8) reports to parents on children's progress;

(9) use of parents as classroom volunteers, tutors, and aides; or

(10) soliciting parents' suggestions in planning, developing, and implementing school programs;

(11) educational programs and opportunities for parents or guardians that are multicultural, gender fair, and disability sensitive; and

(12) involvement in a district's curriculum advisory committee or a school building team under section 126.666.

Sec. 11. Minnesota Statutes 1990, section 125.05, subdivision 1, is amended to read:

Subdivision 1. [QUALIFICATIONS AUTHORITY TO LICENSE.]

(a) The authority to board of teaching shall license teachers, as defined in section 125.03, subdivision 1, is vested in the board of teaching except that the authority to for supervisory personnel, as defined in section 125.03, subdivision 4.

(b) The state board of education shall license supervisory person-



nel as defined in section 125.03, subdivision 4, is vested in the state board of education. The authority to

(c) The state board of technical colleges, according to section 136C.04, shall license post-secondary vocational and adult vocational teachers, support personnel, and supervisory personnel in technical colleges is vested in the state board of technical colleges according to section 136C.04, subdivision 9. Licenses must be issued to persons the board of teaching or the state board of education finds to be competent for their respective positions. For teachers, as defined in section 125.03, subdivision 5, competency includes successful completion of an examination of skills in reading, writing, and mathematics for persons applying for initial licenses. Qualifications of teachers and other professional employees except supervisory personnel must be determined by the board of teaching under the rules it adopts.

(d) Licenses under the jurisdiction of the board of teaching and the state board of education must be issued through the licensing section of the department of education. Licenses under the jurisdiction of the state board of education must be issued through the licensing section of the department of education.

Sec. 12. Minnesota Statutes 1990, section 125.05, is amended by adding a subdivision to read:

Subd. 1a. [TEACHER AND SUPPORT PERSONNEL QUALIFICATIONS.] (a) The board of teaching shall issue licenses under its jurisdiction to persons the board finds to be qualified and competent for their respective positions.

(b) The board shall require a person applying for an initial teaching license to provide direct instruction to pupils in prekindergarten, elementary, secondary, and special education programs to successfully complete an examination of skills in reading, writing, and mathematics before being admitted to a post-secondary teacher preparation program approved by the board of teaching.

(c) The board may not require support personnel including, but not limited to, counselors, school psychologists, school nurses, school social workers, media generalists, and media supervisors to successfully complete an examination of skills in reading, writing, mathematics, other examinations required of teachers, or a supervised and assessed internship in a professional development school.

(d) Before admission to a pilot internship program, the board shall require a person to successfully complete an examination of general pedagogical knowledge. Before granting a first continuing license, the board shall require a person to successfully complete a one year supervised and assessed internship in a professional development school and an examination of licensure-specific teaching skills. The

board shall determine effective dates for the examination of general pedagogical knowledge, the internship, and examinations of licensure-specific skills.

Sec. 13. Minnesota Statutes 1990, section 125.05, is amended by adding a subdivision to read:

Subd. 1b. [PILOT PROJECTS.] (a) The board of teaching shall develop pilot projects on restructuring teacher preparation and licensure in Minnesota. The pilot projects shall evaluate models that require, as a condition for licensure, a year long internship following completion of an approved teacher preparation program. The pilot projects shall require supervision and assessment of interns according to guidelines adopted by the board. The board shall, through an independent contractor selected in consultation with the advisory task force established in section 125.185, subdivision 4a, evaluate the effectiveness of the restructured licensure model in comparison to other models of preparing and licensing teachers, including models that provide internships within existing preparation programs.

(b) The board shall submit an appropriation request to the 1993 legislature to begin the pilot projects. The board shall, during the 1993-1995 biennium, identify sites for the pilot projects, create professional development schools, and prepare staff at the pilot sites. The board shall also assist colleges and universities participating in the pilot projects to redesign teacher education programs.

(c) The pilot projects shall be operational and begin admitting candidates for licensure in 1995.

(d) The board shall present an evaluation of the pilot projects and recommendations regarding statewide implementation of the restructured licensure model to the education committees of the legislature by January 15, 1998. The evaluation must be done by an independent contractor and must include the comments and recommendations of the advisory task force.

(e) It is the intent of the legislature that if the restructured licensure model proves effective, the model will be implemented statewide by the year 2000. The board shall not implement a statewide restructured licensure program without specific legislative authorization.

(f) The board shall, after consulting with the advisory task force, establish the qualifications for interns and the requirements for an intern license.

Sec. 14. Minnesota Statutes 1990, section 125.05, is amended by adding a subdivision to read:

Subd. 1c. [SUPERVISORY AND COACH QUALIFICATIONS.] The state board of education shall issue licenses under its jurisdiction to persons the state board finds to be qualified and competent for their respective positions under the rules it adopts.

Sec. 15. Minnesota Statutes 1990, section 125.05, subdivision 7, is amended to read:

Subd. 7. [LIMIT ON FIELDS OF LICENSURE.] Unless the action of the board of teaching is approved by specific law, the board may not, after July 1, 1989:

- (1) develop additional fields of licensure;
- (2) divide existing fields of licensure; or
- (3) extend any licensure requirements to any duties that could be performed on March 15, 1989, without a license.

The board may establish fields for provisional licensure, but shall submit each field to the legislature for approval. If approval by specific law is not obtained within one year after the provisional license is established, the board shall discontinue the field of provisional licensure.

The board may study ways to reconfigure its licensure system to develop and propose flexibility within the existing licensure structure. The board may not proceed under chapter 14 until it reports the results of its study to the education committees of the legislature and obtains authorization by specific law, as required by this subdivision.

Sec. 16. Minnesota Statutes 1990, section 125.12, is amended by adding a subdivision to read:

Subd. 4b. [APPLICABILITY.] Subdivision 4a does not apply to a school district that has formally adopted a review process for continuing contract teachers that has been mutually agreed upon by the exclusive representative of the teachers in the district and the school board.

Sec. 17. Minnesota Statutes 1990, section 125.17, is amended by adding a subdivision to read:

Subd. 3b. [APPLICABILITY.] Subdivision 3a does not apply to a school district that has formally adopted a review process for nonprobationary teachers that has been mutually agreed upon by the exclusive representative of the teachers in the district and the school board.

Sec. 18. Minnesota Statutes 1991 Supplement, section 125.185, subdivision 4, is amended to read:

Subd. 4. [LICENSE AND RULES.] (a) The board shall adopt rules to license public school teachers and interns subject to chapter 14.

(b) ~~The board shall adopt rules for examination of teachers, as defined in section 125.03, subdivision 5. The rules may allow for requiring successful completion of the an examination of skills in reading, writing, and mathematics before entering or during being admitted to a teacher education preparation program.~~

(c) The board shall adopt rules to approve teacher education preparation programs.

(d) ~~The board of teaching shall provide the leadership and shall adopt rules by October 1, 1988, for the redesign of teacher education programs to implement a research based, results-oriented curriculum that focuses on the skills teachers need in order to be effective. The board shall implement new systems of teaching education teacher preparation program evaluation to assure program effectiveness based on proficiency of graduates in demonstrating attainment of program outcomes.~~

(e) The board shall adopt rules requiring successful completion of an examination of general pedagogical knowledge and examinations of licensure-specific teaching skills. The rules shall be effective on the dates determined by the board, but not later than July 1, 1999.

(f) Until July 1, 1998, the board may select schools to be professional development schools according to initial criteria adopted by the board. Initial criteria are not subject to chapter 14. By July 1, 1998, the board shall adopt rules to approve or disapprove professional development schools.

~~These rules (g) The board shall require adopt rules requiring teacher educators to work directly with elementary or secondary school teachers in elementary or secondary schools to obtain a periodic exposure to the elementary or secondary teaching environment.~~

(h) The board shall also grant licenses to interns and to candidates for initial licenses.

(i) The board shall design and implement an assessment system which requires ~~candidates a candidate for an initial licensure license and first continuing licensure license to demonstrate the abilities necessary to perform selected, representative teaching tasks at appropriate levels.~~

(j) The board shall receive recommendations from local committees as established by the board for the renewal of teaching licenses.

(k) The board shall grant life licenses to those who qualify according to requirements established by the board, and suspend or revoke licenses pursuant to sections 125.09 and 214.10. ~~Notwithstanding any law or rule to the contrary,~~ The board shall not establish any expiration date for application for life licenses.

(l) With regard to post-secondary vocational education teachers the board of teaching shall adopt and maintain as its rules the rules of ~~the state board of education and the state board of technical colleges.~~

Sec. 19. Minnesota Statutes 1991 Supplement, section 125.185, subdivision 4a, is amended to read:

Subd. 4a. ~~Notwithstanding section 125.05, or any other law to the contrary, the authority of the board of teaching and the state board of education to approve teacher education programs and to issue teacher licenses expires on June 30, 1996. Any license issued by the board of teaching or the state board of education after July 1, 1991, must expire by June 30, 1996.~~

The board of teaching, in cooperation with the state board of education and the higher education coordinating board, shall develop policies and corresponding goals for making teacher education preparation curriculum more consistent with the purpose of state public education. The revised teacher education preparation curriculum must be consistent with the board of teaching rules required under subdivision 4 for redesigning teacher education preparation programs to implement a research-based, results-oriented curriculum. The revised teacher education preparation curriculum may shall include, upon legislative authorization to implement a state-wide restructured licensure program, a requirement that teacher education preparation programs contain a one-year mentorship program supervised and assessed internship in a professional development school approved by the board. The mentorship internship program must provide students the interns with elementary or secondary teaching experience and appropriate professional support and evaluation from licensed classroom teachers, including mentor teachers. By February 1, 1992, the board of teaching shall provide the education committees of the legislature with detailed revised guidelines, strategies, and programs to implement the revised teacher education curriculum. By February 1, 1993, The board of teaching and the state board of education shall adopt rules under chapter 14 that are consistent with the guidelines, strategies, and programs provided to the legislature in 1992, including amending board rules governing the issuing, expiring, and renewing of teacher licenses.

The board of teaching shall appoint an advisory task force to advise the board on implementing the restructured teacher preparation and licensure system. The task force shall consist of 21 members. Each of the following organizations shall select a member to serve on the task force: inter-faculty organization, University of Minnesota, Minnesota private college council, Minnesota association of colleges for teacher education, Minnesota education association, Minnesota federation of teachers, Minnesota association of teacher educators, Minnesota association of school administrators, Minnesota association of secondary school principals, Minnesota association of elementary school principals, Minnesota vocational association, Minnesota congress of parents, teachers, and students, Minnesota school boards association, education cooperative service units, and the Minnesota business partnership. In addition, the board shall appoint one member of the board of teaching to the task force. The task force shall include three ex officio members representing the commissioner of education, the state board of education, and the higher education coordinating board. Expenses incurred by task force members shall be reimbursed by the organizations they represent.

During the pilot period of the plan, the advisory task force shall meet at least six times each year and advise the board on restructuring the teacher preparation and licensure system.

The board of teaching shall, after consulting with the advisory task force, submit a progress report on implementing the restructured teacher preparation and licensure system to the education committees of the legislature by January 1 of each year. Before fully implementing the restructured system, the board of teaching shall include a report on the pilot period.

The task force shall continuously monitor the progress of the pilot projects developed under section 125.05, subdivision 1b, and assist the board in addressing policy questions implicated in restructuring the teacher preparation and licensure system, including:

(1) what impact the restructured system has on low income or place-bound persons;

(2) how the restructured system ensures the ethnic and cultural diversity of the teaching force;

(3) what the cost implications of the restructured system are for students, public and private teacher preparation institutions, and the state;

(4) what the status of teacher interns under the restructured system is with respect to licensure, tenure, and retirement and other employment benefits;

(5) what the relationship is between teacher preparation institutions and internship programs under the restructured system; and

(6) what the comparative costs and benefits are of a restructured program and existing teacher preparation programs with an internship component.

The higher education coordinating board shall assist the state's teacher preparation institutions in developing teacher education preparation curriculum for their students that is consistent with the guidelines, programs, and strategies approved by the legislature. ~~The institutions must use the revised teacher education curriculum to instruct their students beginning in the 1996-1997 school year.~~

The board of teaching shall disapprove a teacher preparation institution that has not implemented the revised teacher preparation curriculum by the 1996-1997 academic year.

Sec. 20. Minnesota Statutes 1990, section 126.12, subdivision 2, is amended to read:

Subd. 2. The school board shall determine the ~~number of school days of each calendar~~ for a school year on or before April 1 of the calendar year in which such school year commences. The board shall offer all elementary, middle, and secondary school subjects required by the board or the curriculum rules of the state board of education on days other than Saturdays, Sundays, and holidays. On any day of the week the board may provide:

- (1) classes or courses at technical colleges;
- (2) classes or courses at area learning centers;
- (3) classes or courses if necessary to meet the requirement in section 124.19 of making a good faith attempt to make up time lost because of circumstances beyond the control of the school board;
- (4) remedial courses;
- (5) courses previously taken, but not successfully completed by the pupil for whom the course is being provided;
- (6) staff development programs; and
- (7) other educational opportunities approved by the commissioner of education.

Sec. 21. Minnesota Statutes 1990, section 127.46, is amended to read:

## 127.46 [SEXUAL HARASSMENT AND VIOLENCE POLICY.]

Each school board shall adopt a written sexual harassment and sexual violence policy that conforms with sections 363.01 to 363.15. The policy shall apply to pupils, teachers, administrators, and other school personnel, include reporting procedures, and set forth disciplinary actions that will be taken for violation of the policy. Disciplinary actions must conform with collective bargaining agreements and sections 127.27 to 127.39. The policy must be conspicuously posted in throughout each school building and included in each school's student handbook on school policies. Each school must annually devote at least one school assembly to discussing the school's sexual harassment and violence policy.

Sec. 22. Minnesota Statutes 1990, section 128C.01, subdivision 4, is amended to read:

Subd. 4. [BOARD.] (a) The league must have a ~~21-member~~ 20-member governing board.

~~(1) The commissioner of education, or the commissioner's representative, is a nonvoting member.~~

~~(2) The governor must appoint four members according to section 15.0597. Each of the four appointees must be a parent. At least one of them must be an American Indian, an Asian, a Black, or a Hispanic.~~

~~(3) (2) The Minnesota association of secondary school principals must appoint two of its members.~~

~~(4) (3) The remaining 14 members must be selected according to league bylaws.~~

~~(b) The terms, compensation, removal of members, and the filling of membership vacancies are governed by section 15.0575.~~

Sec. 23. Minnesota Statutes 1990, section 128C.02, is amended by adding a subdivision to read:

Subd. 1a. [ANNUAL REPORT.] The board annually shall prepare a written report containing the information about the league that the commissioner is required to obtain and review under section 128C.20. The board shall file copies of the report in a timely manner with the director of the legislative reference library.

Sec. 24. Minnesota Statutes 1991 Supplement, section 275.065, subdivision 1, is amended to read:



Subdivision 1. [PROPOSED LEVY.] Notwithstanding any law or charter to the contrary, on or before September 1, each taxing authority, other than a school district, shall adopt a proposed budget and each taxing authority, other than a school district, shall certify to the county auditor the proposed or, in the case of a town, the final property tax levy for taxes payable in the following year. On or before September 15, a school district shall certify to the county auditor its proposed property tax levy for taxes payable in the following year. If the board of estimate and taxation or any similar board that establishes maximum tax levies for taxing jurisdictions within a first class city certifies the maximum property tax levies for funds under its jurisdiction by charter to the county auditor by September 1, the city shall be deemed to have certified its levies for those taxing jurisdictions. For purposes of this section, "taxing authority" includes all home rule and statutory cities, towns, counties, school districts, and special taxing districts. The commissioner of revenue shall determine what constitutes a special taxing district for purposes of this section. Intermediate school districts that levy a tax under chapter 136D, joint powers boards established under sections 124.491 to 124.495, and common school districts No. 323, Franconia, and No. 815, Prinsburg, are special taxing districts for purposes of this section.

Sec. 25. Minnesota Statutes 1990, section 275.125, subdivision 10, is amended to read:

Subd. 10. [CERTIFICATION OF LEVY LIMITATIONS.] By August ~~15~~ 31, the commissioner shall notify the school districts of their levy limits. The commissioner shall certify to the county auditors the levy limits for all school districts headquartered in the respective counties together with adjustments for errors in levies not penalized pursuant to subdivision 15 as well as adjustments to final pupil unit counts.

A school district may require the commissioner to review the certification and to present evidence in support of modification of the certification.

The county auditor shall reduce levies for any excess of levies over levy limitations pursuant to section 275.16. Such reduction in excess levies may, at the discretion of the school district, be spread over two calendar years.

Sec. 26. Minnesota Statutes 1991 Supplement, section 364.09, is amended to read:

364.09 [EXCEPTIONS.]

(a) This chapter shall not apply to the practice of law enforcement, to fire protection agencies, to eligibility for a private detective or protective agent license, to eligibility for a family day care license, a

family foster care license, a home care provider license, ~~to eligibility for a license issued or renewed by the board of teaching or state board of education, or to eligibility for school bus driver endorsements.~~ This chapter also shall not apply to eligibility for a license issued or renewed by the board of teaching or state board of education or to eligibility for juvenile corrections employment where the offense involved child physical or sexual abuse or criminal sexual conduct.

(b) This chapter does not apply to a school district.

(c) Nothing in this section shall be construed to preclude the Minnesota police and peace officers training board or the state fire marshal from recommending policies set forth in this chapter to the attorney general for adoption in the attorney general's discretion to apply to law enforcement or fire protection agencies.

Sec. 27. Laws 1990, chapter 366, section 1, subdivision 2, is amended to read:

Subd. 2. The superintendent of schools of special school district No. 1, Minneapolis, may appoint a person to each of the following positions in clauses (1) to (7) and more than one person to the positions in clauses (8) and (9) to perform the duties and services the superintendent may direct:

- (1) administrator/licensed personnel;
- (2) administrator/nonlicensed personnel;
- (3) administrative assistant finance and operations;
- (4) manager of transportation operations;
- (5) director of finance;
- (6) administrative assistant/research and development; ~~and~~
- (7) director of affirmative action;
- (8) parent liaison; and
- (9) public school nurse.

Sec. 28. Laws 1991, chapter 265, article 8, section 19, subdivision 6, is amended to read:

Subd. 6. [SCHOOL LUNCH AND FOOD STORAGE AID.] For school lunch aid according to Minnesota Statutes, section 124.646,

and Code of Federal Regulations, title 7, section 210.17, and for food storage and transportation costs for United States Department of Agriculture donated commodities; and for a temporary transfer to the commodity processing revolving fund to provide cash flow to permit schools and other recipients of donated commodities to take advantage of volume processing rates and for school milk aid according to Minnesota Statutes, section 124.648:

\$5,925,000 ..... 1992

\$5,925,000 ..... 1993

Any unexpended balance remaining from the appropriations in this subdivision shall be prorated among participating schools based on the number of free, reduced, and fully paid federally reimbursable student lunches served during that school year.

If the appropriation amount attributable to either year is insufficient, the rate of payment for each free, reduced, and fully paid student lunch shall be reduced and the aid for that year shall be prorated among participating schools so as not to exceed the total authorized appropriation for that year.

Any temporary transfer processed in accordance with this subdivision to the commodity processing fund will be returned by June 30 in each year so that school lunch aid and food storage costs can be fully paid as scheduled.

Not more than \$800,000 of the amount appropriated each year may be used for school milk aid.

Sec. 29. [STATE BOARD OF EDUCATION RULES.]

By December 1, 1993, the state board of education shall adopt or amend rules under Minnesota Statutes, chapter 14, governing the issuing, expiring, and renewing of personnel licenses regulated by the board.

Sec. 30. [REENACTMENT.]

Minnesota Statutes 1990, section 123.744, as amended by Laws 1991, chapter 265, article 9, section 41, is reenacted.

Sec. 31. [PEER REVIEW MANDATE DELAY.]

Laws 1991, chapter 265, article 9, sections 45, 46, 47, 48, 52, 53, 54, and 55, are effective July 1, 1994, notwithstanding Laws 1991, chapter 265.

Sec. 32. [RECOMMENDATIONS ON BINDING ARBITRATION.]

As an alternative to the bargaining deadline and aid penalty in Minnesota Statutes, section 124A.22, subdivision 2a, the legislative commission on employee relations must evaluate and make recommendations to the legislature regarding the use of binding arbitration as a method to resolve negotiations at impasse between exclusive representatives for teachers and school boards. The report must be submitted by January 15, 1993.

Sec. 33. [LEGISLATIVE COMMITMENT TO A RESULTS-ORIENTED GRADUATION RULE.]

The legislature is committed to establishing a rigorous, results-oriented graduation rule for Minnesota's public school students. To that end, the state board of education shall use its rulemaking authority granted under Minnesota Statutes, section 121.11, subdivision 12, to adopt a statewide, results-oriented graduation rule according to the timeline in section 2. The board shall not prescribe in rule or otherwise the delivery system, form of instruction, or a single statewide form of assessment that local sites must use to meet the requirements contained in the rule.

Sec. 34. [RULE TO BE AUTHORIZED BY LAW.]

Notwithstanding Minnesota Statutes, section 121.11, subdivision 12, the state board of education may continue its proceedings to adopt a graduation rule but must not take final action under Minnesota Statutes, sections 14.131 to 14.20 to adopt the rule until specifically authorized by law to do so. The 180-day time limit in Minnesota Statutes, section 14.19, does not apply after the rule is specifically authorized by law.

Sec. 35. [REPEALER.]

Minnesota Statutes 1990, section 125.03, subdivision 5, is repealed.

Sec. 36. [EFFECTIVE DATES.]

Section 1 is effective the first Monday of January 1995. Section 2 is effective retroactive to the beginning of the 1991-1992 school year. Section 27 is effective the day after the governing body of special school district No. 1, Minneapolis, complies with Minnesota Statutes, section 645.021, subdivision 3. Sections 33 and 34 are effective the day following final enactment.

ARTICLE 9  
ENROLLMENT OPTIONS

Section 1. Minnesota Statutes 1991 Supplement, section 120.062, subdivision 8a, is amended to read:

Subd. 8a. [EXCEPTIONS TO DEADLINES.] Notwithstanding subdivision 4, the following pupil application procedures apply:

(a) Upon agreement of the resident and nonresident school districts, a pupil may submit an application to a nonresident district after January 15 for enrollment beginning the following school year.

(b) If, as a result of entering into, modifying, or terminating an agreement under section 122.541 ~~or~~ 122.535, or sections 122.241 to 122.248, a pupil is assigned after December 1 to a different school, the pupil, the pupil's siblings, or any other pupil residing in the pupil's residence may submit an application to a nonresident district at any time before July 1 for enrollment beginning the following school year.

(c) A pupil who becomes a resident of a school district after December 1 may submit an application to a nonresident district on January 15 or any time after that date for enrollment beginning any time before the following December 1.

(d) If the commissioner of education and the commissioner of human rights determine that the policies, procedures, or practices of a school district are in violation of Title VI of the Civil Rights Act of 1964 (Public Law Number 88-352) or chapter 363, any pupil in the district may submit an application to a nonresident district at any time for enrollment beginning at any time.

For exceptions under this subdivision, the applicant, the applicant's parent or guardian, the district of residence, and the district of attendance must observe, in a prompt and efficient manner, the application and notice procedures in subdivisions 4 and 6, except that the application and notice deadlines do not apply.

Sec. 2. Minnesota Statutes 1991 Supplement, section 123.3514, subdivision 4, is amended to read:

Subd. 4. [AUTHORIZATION; NOTIFICATION.] Notwithstanding any other law to the contrary, an 11th or 12th grade pupil, except a foreign exchange pupil enrolled in a district under a cultural exchange program, may apply to an eligible institution, as defined in subdivision 3, to enroll in nonsectarian courses offered at by that post-secondary institution. If an institution accepts a secondary pupil for enrollment under this section, the institution shall send written notice to the pupil, the pupil's school district, and the

commissioner of education within ten days of acceptance. The notice shall indicate the course and hours of enrollment of that pupil. If the pupil enrolls in a course for post-secondary credit, the institution shall notify the pupil about payment in the customary manner used by the institution.

Sec. 3. [REENACTMENT.]

Minnesota Statutes 1990, section 123.3514, subdivisions 6 and 6b, as amended by Laws 1991, chapter 265, article 9, sections 38 and 39, are reenacted.

Sec. 4. Laws 1991, chapter 265, article 9, section 75, is amended to read:

Sec. 75. [REPEALER.]

Minnesota Statutes 1990, sections 120.105; 121.932, subdivision 1; 121.933, subdivision 2; 121.935, subdivision 3; 121.937, subdivision 2; 122.43, subdivision 1; ~~123.3514, subdivisions 6 and 6b;~~ and 123.73, are repealed. Minnesota Rules, parts 3560.0030, subparts 2(A), 4, and 5; 3560.0040, subparts 2 and 4; and 3560.0060, are repealed.

~~Minnesota Statutes 1990, section 123.744, is repealed. Laws 1988, chapter 703, article 1, section 23, as amended by Laws 1989, chapter 293, section 81; and Laws 1989, chapters 293, section 82, and 329, article 9, section 30, are repealed.~~

Sec. 5. Minnesota Statutes 1990, section 123.3514, subdivision 6, as amended by Laws 1991, chapter 265, article 9, section 38, as reenacted, is amended to read:

Subd. 6. [FINANCIAL ARRANGEMENTS.] At the end of each school year, the department of education shall pay the tuition reimbursement amount within 30 days to the post-secondary institutions for courses that were taken for secondary credit. The amount of tuition reimbursement shall equal the lesser of:

(1) the actual costs of tuition, textbooks, materials, and fees directly related to the course taken by the secondary pupil; or

(2) an amount equal to the difference between the basic revenue of the district for that pupil and an amount computed by multiplying the basic revenue of the district for that pupil by a ratio. The ratio to be used is the total number of hours that the pupil is enrolled in courses in the secondary school during the regular school year over the total number of secondary instructional hours per pupil in that pupil's resident district.

For fiscal year 1992, for a pupil attending a post-secondary institution under this section, whether the pupil is enrolled in the post-secondary institution for secondary credit, post-secondary credit, or a combination of both, a school district shall receive aid equal to the sum of:

(1) 12 percent of the formula allowance, according to section 124.22, subdivision 2, times 1.3; plus

(2) for a pupil who attends a secondary school part time, the formula allowance, according to section 124.22, subdivision 2, times 1.3, times the ratio of the total number of hours the pupil is in membership for courses taken by the pupil for credit, to 1020 hours.

If a pupil is enrolled in a course for post-secondary credit, the school district shall include the pupil in the average daily membership only for the portion of time during which the pupil is enrolled in courses at the secondary school and enrolled in courses at a post-secondary institution for secondary credit.

The department shall not pay any tuition reimbursement or other costs of a course taken for post-secondary credit only.

For fiscal year 1993 and thereafter, a post-secondary institution shall be reimbursed according to the following:

(1) for an institution granting quarter credit, the reimbursement per credit hour shall be an amount equal to 88 percent of the product of the formula allowance, multiplied by 1.3, and divided by 45; or

(2) for an institution granting semester credit, the reimbursement per credit hour shall be an amount equal to 88 percent of the product of the general revenue formula allowance, multiplied by 1.3, and divided by 30.

For fiscal year 1993 and thereafter, a school district shall receive:

(1) for a pupil who is not enrolled in classes at a secondary school, 12 percent of the formula allowance, according to section 124.22, subdivision 2, times 1.3; or

(2) for a pupil who attends a secondary school part time, ~~88 percent of the product~~ of the formula allowance, according to section 124.22, subdivision 2, times 1.3, times the ratio of the total number of hours the pupil is in membership for courses taken by the pupil for credit, to 1020 hours.

Sec. 6. Minnesota Statutes 1990, section 123.3514, subdivision 6b, as amended by Laws 1991, chapter 265, article 9, section 39, as reenacted, is amended to read:

Subd. 6b. [FINANCIAL ARRANGEMENTS, PUPILS AGE 21 OR OVER.] At the end of each school year, the department of education shall pay the tuition reimbursement amount to the post-secondary institutions for courses taken to fulfill high school graduation requirements by pupils eligible for adult high school graduation aid. The amount of the tuition reimbursement equals the lesser of:

(1) the actual costs of tuition, textbooks, materials, and fees directly related to the course or program taken by the pupil; or

(2) an amount equal to the difference between the adult high school graduation aid attributable to that pupil and an amount computed by multiplying the adult high school graduation aid by the ratio of the total number of hours that the pupil is enrolled in courses in the secondary school during the regular school year over the total number of secondary instructional hours per pupil in that pupil's resident district.

For fiscal year 1992, for a pupil attending a post-secondary institution under this section, whether the pupil is enrolled in the post-secondary institution for secondary credit, post-secondary credit, or a combination of both, a school district shall receive aid equal to the sum of:

(1) 12 percent of the formula allowance, according to section 124.22, subdivision 2, times 1.3; plus

(2) for a pupil who attends a secondary school part time, the adult high school graduation aid times 1.3, times the ratio of the total number of hours the pupil is in membership for courses taken by the pupil for credit, to 1020 hours.

If a pupil is enrolled in a course for post-secondary credit, the school district shall include the pupil in average daily membership as computed under section 120.17, subdivision 1, only for the portion of time during which the pupil is enrolled in courses at the secondary school and enrolled in courses at the post-secondary institution for secondary credit.

The department must not pay any tuition reimbursement or other costs of a course taken for post-secondary credit only.

For fiscal year 1993 and thereafter, a post-secondary institution shall be reimbursed according to the following:

(1) for an institution granting quarter credit, the reimbursement per credit hour shall be an amount equal to 88 percent of the product of the formula allowance, multiplied by 1.3, and divided by 45; or

(2) for an institution granting semester credit, the reimbursement



per credit hour shall be an amount equal to 88 percent of the product of the general revenue formula allowance multiplied by 1.3, and divided by 30.

For fiscal year 1993 and thereafter, a school district shall receive:

(1) for a pupil who is not enrolled in classes at a secondary program, 12 percent of the adult high school graduation aid, times 1.3; or

(2) for a pupil who attends classes at a secondary program part time, ~~88 percent of the product~~ of the adult high school graduation aid, times 1.3, times the ratio of the total number of hours the pupil is in membership for courses taken by the pupil for credit to 1020 hours.

Sec. 7. Minnesota Statutes 1991 Supplement, section 123.3514, subdivision 11, is amended to read:

Subd. 11. [PUPILS AT A DISTANCE 40 MILES OR MORE FROM AN ELIGIBLE INSTITUTION.] A pupil who is enrolled in a secondary school that is located 40 miles or more from the nearest eligible institution may request that the resident district offer at least one accelerated or advanced academic course within the resident district in which the pupil may enroll for post-secondary credit. A pupil may enroll in a course offered under this subdivision for either secondary or post-secondary credit according to subdivision 5.

A district must offer an accelerated or advanced academic course for post-secondary credit if one or more pupils requests such a course under this subdivision. The district may decide which course to offer, how to offer the course, and whether to offer one or more courses. The district must offer at least one such course in the next academic period and must continue to offer at least one accelerated or advanced academic course for post-secondary credit in later academic periods.

Sec. 8. Minnesota Statutes 1990, section 123.3514, is amended by adding a subdivision to read:

Subd. 11a. [PUPILS LESS THAN 40 MILES FROM AN ELIGIBLE INSTITUTION.] A pupil enrolled in a secondary school that is located less than 40 miles from the nearest eligible institution may enroll in a post-secondary course provided at the secondary school.

Sec. 9. [123.3516] [POST-SECONDARY COURSES IN SECONDARY SCHOOLS.]

Subdivision 1. [AUTHORIZATION FOR AGREEMENTS.] A

school district may enter into an agreement with a post-secondary institution to provide nonsectarian post-secondary courses at a secondary school.

Subd. 2. [CREDITS.] Secondary or post-secondary credit shall be granted to a pupil enrolled in a post-secondary course under this section according to section 123.3514, subdivision 5.

Subd. 3. [FINANCIAL ARRANGEMENTS.] Reimbursement to the post-secondary institution for post-secondary instruction provided under this section shall be determined by the participating school district and post-secondary institution.

For the purposes of appropriations to public post-secondary governing boards, student credit hours earned under this section shall not be included as regular instructional activity.

For a pupil enrolled in a post-secondary course under this section, a school district shall receive the formula allowance according to section 124A.22, subdivision 2, times 1.3.

Sec. 10. Minnesota Statutes 1990, section 126.22, is amended by adding a subdivision to read:

Subd. 2a. [ALSO ELIGIBLE.] Also eligible to participate in the high school graduation incentives program under subdivision 2, clauses (a), (b), and (c), are pupils who: are victims of physical or sexual abuse, have experienced mental health problems, or have experienced homelessness any time within a six-month period prior to the date of requesting a transfer to an eligible program.

Sec. 11. Minnesota Statutes 1991 Supplement, section 135A.03, subdivision 3a, is amended to read:

Subd. 3a. [EXCLUSIONS FROM ENROLLMENT.] Student enrollment for the purposes of average cost funding shall not include:

(1) any undergraduate students who do not meet the residency criteria established under subdivision 7;

(2) enrollment in extension at the technical colleges; and

(3) students enrolled in recreational or leisure-time activity courses, except for those students enrolled in a degree-granting program for whom the credits would apply toward a baccalaureate degree; and

(4) secondary pupils enrolled under section 9.

Sec. 12. [135A.18] [AUTHORIZATION FOR AGREEMENTS.]

The governing board of a public post-secondary institution may enter into an agreement with a school district to provide instructional services.

Sec. 13. [EFFECTIVE DATE.]

Sections 2 and 12 are effective the day following final enactment and apply to the 1991-1992 and later school years. Sections 7 and 8 are effective July 1, 1993.

## ARTICLE 10

### PUBLIC LIBRARIES

Section 1. Minnesota Statutes 1990, section 134.34, subdivision 1, is amended to read:

Subdivision 1. [LOCAL SUPPORT LEVELS.] A regional library basic system support grant shall be made to any regional public library system where there are at least three participating counties and where each participating city and county, ~~except in the first year of participation as provided in section 134.33,~~ is providing for public library service support the lesser of (a) ~~an amount equivalent to 0.33 percent of the adjusted gross tax capacity of the taxable property of that city or county, as determined by the commissioner of revenue for the second year preceding that calendar year in 1990 and an amount equivalent to .41 .82 percent of the adjusted net tax capacity of the taxable property of that city or county, as determined by the commissioner of revenue for the second year preceding that calendar year in 1991 and later years or~~ (b) a per capita amount calculated under the provisions of this subdivision. The per capita amount is established for calendar year ~~1990~~ 1993 as ~~\$3.62~~ \$7.62. In succeeding calendar years, the per capita amount shall be increased by a ~~percentage equal to one-half~~ percentage equal to one-half of the percentage by which the total state adjusted net tax capacity of property as determined by the commissioner of revenue for the second year preceding that calendar year increases over that total adjusted net tax capacity for the third year preceding that calendar year. The minimum level of support shall be certified annually to the participating cities and counties by the department of education. A city which is a part of a regional public library system shall not be required to provide this level of support if the property of that city is already taxable by the county for the support of that regional public library system. In no event shall the department of education require any city or county to provide a higher level of support than the level of support specified in this section in order for a system to qualify for a regional library basic system support grant. This section shall not be construed to prohibit a city or county from providing a higher level of support for public libraries than the level of support specified in this section.

Sec. 2. Minnesota Statutes 1990, section 134.34, is amended by adding a subdivision to read:

Subd. 4a. [SUPPORT GRANTS.] In state fiscal years 1993, 1994, and 1995, a regional library basic system support grant also may be made to a regional public library system for a participating city or county which meets the requirements under paragraph (a) or (b) of this section.

(a) The city or county decreases the dollar amount provided by it for operating purposes of public library service if the amount provided by the city or county is not less than the amount provided by the city or county for such purposes in the second preceding year.

(b)(1) The city or county provided for operating purposes of public library services an amount exceeding 125 percent of the state average percentage of the adjusted net tax capacity or 125 percent of the state average local support per capita; and

(2) the local government aid distribution for the current calendar year under chapter 477A has been reduced below the originally certified amount for payment in the preceding calendar year, if the dollar amount of the reduction from the previous calendar year in support for operating purposes of public library services is not greater than the dollar amount by which support for operating purposes of public library service would be decreased if the reduction in support were in direct proportion to the local government aid reduction as a percentage of the previous calendar year's revenue base as defined in section 477A.011, subdivision 27. Determination of a grant under paragraph (b) shall be based on the most recent calendar year for which data are available.

The city or county shall file a report with the department of education indicating the dollar amount and percentage of reduction in public library operating funds.

Sec. 3. [PUBLIC LIBRARY DISTRICT; ADVISORY ELECTION.]

The board of county commissioners of Otter Tail county and the city council of the city of Fergus Falls by resolutions adopted by each of them may submit to the voters that reside within the boundaries of independent school district No. 544, except that part of the school district located in Wilkin county, the question of whether the county board and the city council shall request the legislature of the state of Minnesota to enact legislation to provide for the establishment of a public library district to provide library service to those persons residing within the boundaries of independent school district No. 544, except for that part of the school district located in Wilkin county. If the resolutions are adopted as provided in this section, the question shall be submitted at the 1992 general election and the form of the ballot shall be:

“Shall the board of county commissioners of Otter Tail county and the city council of the city of Fergus Falls, request legislation from the Minnesota legislature to provide for a public library district for the purpose of providing library service to those persons residing within the boundaries of independent school district No. 544, except that part of the school district located in Wilkin county?”

Yes .....

No .....

The results of the election on the question submitted shall be advisory only to the county board and the city council and shall have no binding effect upon a decision to request the Minnesota legislature to provide for a public library district.

#### Sec. 4. [LOCAL APPROVAL.]

Section 3 takes effect the day after the filing of a certificate of local approval by the board of county commissioners of Otter Tail county and the city council of the city of Fergus Falls in compliance with Minnesota Statutes, section 645.021, subdivision 3.

#### Sec. 5. [REPEALER.]

Minnesota Statutes 1990, section 134.34, subdivision 2, is repealed.

#### Sec. 6. [EFFECTIVE DATE.]

Sections 1 and 5 are effective January 1, 1993. Section 2 is effective the day following final enactment.

## ARTICLE 11

### STATE AGENCIES

Section 1. Minnesota Statutes 1991 Supplement, section 120.17, subdivision 7a, is amended to read:

Subd. 7a. [ATTENDANCE AT SCHOOL FOR THE HANDICAPPED.] Responsibility for special instruction and services for a visually disabled or hearing impaired child attending the Minnesota state academy for the deaf or the Minnesota state academy for the blind shall be determined in the following manner:

(a) The legal residence of the child shall be the school district in which the child's parent or guardian resides.

(b) When it is determined pursuant to section 128A.05, subdivision 1 or 2, that the child is entitled to attend either school, the state

board shall provide the appropriate educational program for the child. The state board shall make a tuition charge to the child's district of residence for the cost of providing the program. The amount of tuition charged shall not exceed the basic revenue of the district for that child, for the amount of time the child is in the program. For purposes of this subdivision, "basic revenue" has the meaning given it in section 124A.22, subdivision 2. The district of the child's residence shall pay the tuition and may claim general education aid for the child. The district of the child's residence shall not receive aid pursuant to section 124.32, subdivision 5, for tuition paid pursuant to this subdivision. Tuition received by the state board, except for tuition received under clause (c), shall be deposited in the state treasury as provided in clause (g).

(c) In addition to the tuition charge allowed in clause (b), the academies may charge the child's district of residence for the academy's unreimbursed cost of providing an instructional aide assigned to that child, if that aide is required by the child's individual education plan. Tuition received under this clause must be used by the academies to provide the required service.

(d) When it is determined that the child can benefit from public school enrollment but that the child should also remain in attendance at the applicable school, the school district where the institution is located shall provide an appropriate educational program for the child and shall make a tuition charge to the state board for the actual cost of providing the program, less any amount of aid received pursuant to section 124.32. The state board shall pay the tuition and other program costs including the unreimbursed transportation costs. Aids for handicapped children shall be paid to the district providing the special instruction and services. Special transportation shall be provided by the district providing the educational program and the state shall reimburse such district within the limits provided by law.

(e) Notwithstanding the provisions of clauses (b) and (d), the state board may agree to make a tuition charge for less than the amount specified in clause (b) for pupils attending the applicable school who are residents of the district where the institution is located and who do not board at the institution, if that district agrees to make a tuition charge to the state board for less than the amount specified in clause (d) for providing appropriate educational programs to pupils attending the applicable school.

(f) Notwithstanding the provisions of clauses (b) and (d), the state board may agree to supply staff from the Minnesota state academy for the deaf and the Minnesota state academy for the blind to participate in the programs provided by the district where the institutions are located when the programs are provided to students in attendance at the state schools.

(g) On May 1 of each year, the state board shall count the actual number of Minnesota resident kindergarten and elementary students and the actual number of Minnesota resident secondary students enrolled and receiving education services at the Minnesota state academy for the deaf and the Minnesota state academy for the blind. The state board shall deposit in the state treasury an amount equal to all tuition received less:

(1) the total number of students on May 1 less 175, times the ratio of the number of kindergarten and elementary students to the total number of students on May 1, times the general education formula allowance; plus

(2) the total number of students on May 1 less 175, times the ratio of the number of secondary students on May 1 to the total number of students on May 1, times 1.3, times the general education formula allowance.

(h) The sum provided by the calculation in clause (g), subclauses (1) and (2), must be deposited in the state treasury and credited to the general operation account of the academy for the deaf and the academy for the blind.

(i) There is annually appropriated to the department of education for the Faribault academies the tuition amounts received and credited to the general operation account of the academies under this section. A balance in an appropriation under this paragraph does not cancel but is available in successive fiscal years.

Sec. 2. Minnesota Statutes 1990, section 124C.07, is amended to read:

#### 124C.07 [COMPREHENSIVE ARTS PLANNING PROGRAM.]

The department of education shall prescribe the form and manner of application by one or more school districts to be designated as a site to participate in the comprehensive arts planning program. Up to 30 sites may be selected. The department of education shall designate sites in consultation with the Minnesota alliance for arts in education, the Minnesota center for arts education, and the Minnesota state arts board.

Sec. 3. Minnesota Statutes 1990, section 124C.08, subdivision 2, is amended to read:

Subd. 2. [CRITERIA.] The department of education, in consultation with the Minnesota alliance for arts in education comprehensive arts planning program state steering committee, shall establish criteria for site selection. Criteria shall include at least the following:

(1) a willingness by the district or group of districts to designate a program chair for comprehensive arts planning with sufficient authority to implement the program;

(2) a willingness by the district or group of districts to create a committee comprised of school district and community people whose function is to promote comprehensive arts education in the district;

(3) commitment on the part of committee members to participate in training offered by the department of education;

(4) a commitment of the committee to conduct a needs assessment of arts education;

(5) commitment by the committee to evaluating its involvement in the program;

(6) a willingness by the district to adopt a long-range plan for arts education in the district;

(7) no previous involvement of the district in the comprehensive arts planning program, unless that district has joined a new group of districts; and

(8) location of the district or group of districts to assure representation of urban, suburban, and rural districts and distribution of sites throughout the state.

Sec. 4. Minnesota Statutes 1990, section 124C.09, is amended to read:

#### 124C.09 [DEPARTMENT RESPONSIBILITY.]

The department of education, in cooperation with the Minnesota alliance for arts in education ~~and~~, the Minnesota state arts board, and the Minnesota center for arts education shall provide materials, training, and assistance to the arts education committees in the school districts. The department may contract with the Minnesota alliance for arts in education for its involvement in providing services, including staff assistance, to the program.

Sec. 5. Minnesota Statutes 1990, section 128A.09, is amended by adding a subdivision to read:

Subd. 1a. [CONTRACTS; FEES; APPROPRIATION.] The state board may enter into agreements for the academies to provide respite care and supplemental educational instruction and services including assessments and counseling. The agreements may be made with public or private agencies or institutions, school districts, education cooperative service units, or counties. The board may



authorize the academies to provide conferences, seminars, nondistrict and district requested technical assistance, and production of instructionally-related materials.

Sec. 6. Minnesota Statutes 1990, section 128A.09, subdivision 2, is amended to read:

Subd. 2. [FEES; APPROPRIATION.] ~~Income from fees for conferences, seminars, nondistrict technical assistance, and production of instructionally-related materials received under section 5 must be deposited in the state treasury and credited to a revolving fund of the academies. Money in the revolving fund for fees from conferences, seminars, nondistrict technical assistance, and production of instructionally-related materials and other services is annually appropriated to the academies to defray expenses of the conferences, seminars, technical assistance, and production of materials those services. Payment from the revolving fund for conferences and other fees may be made only according to vouchers authorized by the administrator of the academies.~~

Sec. 7. Laws 1991, chapter 265, article 7, section 41, subdivision 4, is amended to read:

Subd. 4. [OUTCOME-BASED EDUCATION PROGRAM CONTRACTS.] For entering into contracts for outcome-based education programs according to section 37:

\$675,000 ..... 1992

\$675,000 ..... 1993

\$55,000 each year is for evaluation and administration of the program.

A balance in the first year does not cancel but is available in the second year.

Sec. 8. [LAND TRANSFER.]

Subdivision 1. [PERMITTED.] (a) Notwithstanding Minnesota Statutes, chapters 94 and 103F or any other law to the contrary, the state of Minnesota may convey the land described in paragraph (b) to independent school district No. 656, Faribault.

(b) The land which may be conveyed under paragraph (a) is legally described in general as follows:

All that part of the Southeast Quarter of the Southwest Quarter (SE 1/4 of SW 1/4) and all that part of the Southwest Quarter of the Southeast Quarter (SW 1/4 of SE 1/4), all in

Section 29, Township 110 North, Range 20 West, in the City of Faribault, Rice County, Minnesota, owned by the state of Minnesota or any department or division thereof.

or

All that part of the Northwest Quarter of the Southwest Quarter (NW 1/4 of SW 1/4) of Section 28, and of the Northeast Quarter of the Southeast Quarter (NE 1/4 of SE 1/4) of Section 29, all in Township 110 North, Range 20 West, Rice County, Minnesota, owned by the State of Minnesota or any department or division thereof.

(c) A more precise legal description in substantial conformance with the description in paragraph (b) must be provided by the grantee in the instruments of conveyance. Both the precise legal descriptions and the instruments of conveyance must be approved as to form by the attorney general.

Subd. 2. [CONSIDERATION.] The consideration for the conveyance permitted by subdivision 1 is the amount at which the parcel or parcels are appraised by a qualified state appraiser who is appointed by agreement of the parties.

Subd. 3. [APPROPRIATION.] The proceeds of the sale are appropriated to the department of education for the use of the state academies for whose account the sale is made and may be used for capital improvements at the academies.

Subd. 4. [PURPOSE.] The land permitted to be conveyed under subdivision 1 is to be used as part of a site for an elementary school.

Sec. 9. [REPEALER.]

Minnesota Statutes 1990, sections 121.25; 121.26; 121.27; 121.28; and 128A.022, subdivision 5, are repealed.

## ARTICLE 12

### TECHNICAL

Section 1. Minnesota Statutes 1991 Supplement, section 120.064, subdivision 4, is amended to read:

Subd. 4. [FORMATION OF SCHOOL.] (a) A sponsor may authorize one or more licensed teachers under section 215.182 125.05, subdivision 2 1, to form and operate an outcome-based school subject to approval by the state board of education. The teachers shall organize and operate a school as a cooperative under chapter 308A or nonprofit corporation under chapter 317A.

(b) Before a teacher may begin to form and operate a school, the sponsor must file an affidavit with the state board of education stating its intent to authorize an outcome-based school. The affidavit must state the terms and conditions under which the sponsor would authorize an outcome-based school. The state board must approve or disapprove the sponsor's proposed authorization within 30 days of receipt of the affidavit. Failure to obtain state board approval precludes a sponsor from authorizing the outcome-based school that was the subject of the affidavit.

(c) The teachers authorized to organize and operate a school shall hold an election for members of the school's board of directors. All staff members employed at the school and all parents of children enrolled in the school may participate in the election. Licensed teachers employed at the school must be a majority of the members of the board of directors.

(d) The sponsor's authorization for an outcome-based school shall be in the form of a written contract signed by the sponsor and the board of directors of the outcome-based school.

Sec. 2. Minnesota Statutes 1990, section 121.935, is amended by adding a subdivision to read:

Subd. 7a. [LIMITATION ON ALL AGREEMENTS.] (a) No district shall be required by an agreement or otherwise to participate in or provide financial support for a regional center for a time period in excess of one fiscal year. Any agreement, part of an agreement, or other type of requirement to the contrary is void.

(b) This subdivision shall not affect the continued liability of a district for its share of bonded indebtedness or other debt incurred by the center before July 1, 1993. The district is liable only until the obligation or debt is discharged and only according to the payment schedule in effect on June 30, 1993, except that the payment schedule may be altered for the purpose of restructuring debt or refunding bonds outstanding on July 1, 1993, if the annual payments of the district are not increased and if the total obligation of the district for its share of outstanding bonds or other debt is not increased.

(c) To cease participating in or providing financial support for any of the services or activities provided by the center or to withdraw from the center, the school board shall adopt a resolution and notify the center of its decision on or before February 1 of any year. The cessation or withdrawal shall be effective June 30 of the same year or, at the option of the school board, June 30 of the following fiscal year.

(d) Before issuing bonds or incurring other debt, the board of a center shall adopt a resolution proposing to issue bonds or incur

other debt and the proposed financial effect of the bonds or other debt upon each participating district. The resolution shall be adopted within a time sufficient to allow the school board to adopt a resolution within the time permitted by this paragraph and to comply with the statutory deadlines set forth in sections 122.895, 125.12, and 125.17. The board of the center shall notify each participating school board of the contents of the resolution. Within 120 days of receiving the resolution of the board of the center, the school board of the participating district shall adopt a resolution stating:

- (1) its concurrence with issuing bonds or incurring other debt;
- (2) its intention to cease participating in or providing financial support for the service or activity related to the bonds or other debt;  
or
- (3) its intention to withdraw from the regional center.

A school board adopting a resolution according to clause (1) is liable for its share of bonded indebtedness or other debt as proposed by the board of the regional center. A school board adopting a resolution according to clause (2) is not liable for the bonded indebtedness or other debt, as proposed by the board of the regional center, related to the services or activities in which the district ceases participating or providing financial support. A school board adopting a resolution according to clause (3) is not liable for the bonded indebtedness or other debt proposed by the board of the regional center.

(e) On and after July 1, 1993, a district is liable according to paragraph (d) for its share of bonded indebtedness or other debt incurred by the regional center to the extent that the bonds or other debt are directly related to the services or activities in which the district participates or for which the district provides financial support. The district has continued liability only until the obligation or debt is discharged and only according to the payment schedule in effect at the time the board of the regional center provides notice to the school board, except that the payment schedule may be altered for the purpose of refunding the outstanding bonds or restructuring other debt if the annual payments of the district are not increased and if the total obligation of the district for the outstanding bonds or other debt is not increased.

Sec. 3. Minnesota Statutes 1990, section 122.23, subdivision 16, is amended to read:

Subd. 16. As of the effective date of the consolidation, the bonded debt of all component districts shall be paid according to the plan for consolidation proposed in the approved plat, pursuant to the provi-

sions of subdivision 16a or 16b, as applicable and according to this subdivision.

(a) If the plan for consolidation so provides, the bonded debt of all component districts shall be paid according to levies previously made for that debt under chapter 475. In this case, the obligation of the taxable property in the component districts with reference to the payment of such bonded debt is not affected by the consolidation.

(b) If the plan for consolidation makes no provision for the disposition of bonded debt, all the taxable property in the newly created district is taxable for the payment of any bonded debt incurred by any component district in the proportion which the net tax capacity of that part of a preexisting district which is included in the newly created district bears to the net tax capacity of the entire preexisting district as of the time of the consolidation.

(c) If the plan for consolidation so provides, all the taxable property in the newly created district will be taxable for a portion of the bonded debt incurred by any component district prior to the consolidation.

Apportionment required under paragraphs (b) and (c) shall be made by the county auditor and shall be incorporated as an annex to the order of the commissioner dividing the assets and liabilities of the component parts. This subdivision shall not relieve any property from any tax liability for payment of any bonded obligation but taxable property in the newly created district becomes primarily liable for the payment of bonded debts to the extent of the proportion stated.

Sec. 4. Minnesota Statutes 1990, section 122.247, subdivision 1, is amended to read:

Subdivision 1. [REFERENDUM LEVIES REVENUES.] The referendum levy revenue authorization of the combined district shall be one of the methods set forth in section 122.531, subdivision 2a, 2b, or 2c, and must be consistent with the plan adopted according to section 122.242, and any subsequent modifications.

Sec. 5. Minnesota Statutes 1990, section 122.531, subdivision 1a, is amended to read:

Subd. 1a. [INVOLUNTARY DISSOLUTION REFERENDUM LEVIES REVENUE.] As of the effective date of the involuntary dissolution of a district and its attachment to one or more existing districts pursuant to sections 122.32, or 122.41 to 122.52, the authorization for any referendum levy revenue previously approved by the voters of the dissolved district in that district pursuant to section 124A.03, subdivision 2, or its predecessor or successor

provision, is canceled. The authorization for any referendum levy revenue previously approved by the voters of a district to which all or part of the dissolved district is attached shall not be affected by the attachment and shall apply to the entire area of the district as enlarged by the attachment.

Sec. 6. Minnesota Statutes 1990, section 122.531, subdivision 2c, is amended to read:

Subd. 2c. If the plan for consolidation provides for discontinuance of referendum levies revenue previously approved by voters of the component districts pursuant to section 124A.03, subdivision 2, or its predecessor provision, the newly created district shall not make a receive referendum levy revenue unless the voters of the newly created district authorize a referendum levy revenue pursuant to section 124A.03, subdivision 2.

Sec. 7. Minnesota Statutes 1990, section 123.35, is amended by adding a subdivision to read:

Subd. 19a. [LIMITATION ON PARTICIPATION AND FINANCIAL SUPPORT.] (a) No school district shall be required by any type of formal or informal agreement, including a joint powers agreement, or otherwise to participate in or provide financial support for the purposes of the agreement for a time period in excess of one fiscal year. Any agreement, part of an agreement, or other type of requirement to the contrary is void.

(b) This subdivision shall not affect the continued liability of a school district for its share of bonded indebtedness or other debt incurred as a result of any agreement before July 1, 1993. The school district is liable only until the obligation or debt is discharged and only according to the payment schedule in effect on July 1, 1993, except that the payment schedule may be altered for the purpose of restructuring debt or refunding bonds outstanding on July 1, 1993, if the annual payments of the school district are not increased and if the total obligation of the school district for its share of outstanding bonds or other debt is not increased.

(c) To cease participating in or providing financial support for any of the services or activities relating to the agreement or to terminate participation in the agreement, the school board shall adopt a resolution and notify other parties to the agreement of its decision on or before February 1 of any year. The cessation or withdrawal shall be effective June 30 of the same year or, at the option of the school board, June 30 of the following fiscal year.

(d) Before issuing bonds or incurring other debt, the governing body responsible for implementing the agreement shall adopt a resolution proposing to issue bonds or incur other debt and the proposed financial effect of the bonds or other debt upon each

participating district. The resolution shall be adopted within a time sufficient to allow the school board to adopt a resolution within the time permitted by this paragraph and to comply with the statutory deadlines set forth in sections 122.895, 125.12, and 125.17. The governing body responsible for implementing the agreement shall notify each participating school board of the contents of the resolution. Within 120 days of receiving the resolution of the governing body, the school board of the participating district shall adopt a resolution stating:

(1) its concurrence with issuing bonds or incurring other debt;

(2) its intention to cease participating in or providing financial support for the service or activity related to the bonds or other debt;  
or

(3) its intention to terminate participation in the agreement.

A school board adopting a resolution according to clause (1) is liable for its share of bonded indebtedness or other debt as proposed by the governing body implementing the agreement. A school board adopting a resolution according to clause (2) is not liable for the bonded indebtedness or other debt, as proposed by the governing body, related to the services or activities in which the district ceases participating or providing financial support. A school board adopting a resolution according to clause (3) is not liable for the bonded indebtedness or other debt proposed by the governing body implementing the agreement.

(e) After July 1, 1993, a district is liable according to paragraph (d) for its share of bonded indebtedness or other debt incurred by the governing body implementing the agreement to the extent that the bonds or other debt are directly related to the services or activities in which the district participates or for which the district provides financial support. The district has continued liability only until the obligation or debt is discharged and only according to the payment schedule in effect at the time the governing body implementing the agreement provides notice to the school board, except that the payment schedule may be altered for the purpose of refunding the outstanding bonds or restructuring other debt if the annual payments of the district are not increased and if the total obligation of the district for the outstanding bonds or other debt is not increased.

Sec. 8. Minnesota Statutes 1991 Supplement, section 124.214, subdivision 2, is amended to read:

Subd. 2. [ABATEMENTS.] Whenever by virtue of chapter 278, sections 270.07, 375.192, or otherwise, the net tax capacity of any school district for any taxable year is changed after the taxes for that year have been spread by the county auditor and the local tax rate as determined by the county auditor based upon the original net tax

capacity is applied upon the changed net tax capacities, the county auditor shall, prior to February 1 of each year, certify to the commissioner of education the amount of any resulting net revenue loss that accrued to the school district during the preceding year. Each year, the commissioner shall pay an abatement adjustment to the district in an amount calculated according to the provisions of this subdivision. This amount shall be deducted from the amount of the levy authorized by section 275.48. The amount of the abatement adjustment shall be the product of:

(1) the net revenue loss as certified by the county auditor, times

(2) the ratio of:

(a) the sum of the amounts of the district's certified levy in the preceding year according to the following:

(i) section 124A.23 if the district receives general education aid according to that section, or section 124B.20, if the education district of which the district is a member receives general education aid according to that section;

(ii) section 275.125, subdivisions 5 and 5c, if the district receives transportation aid according to section 124.225;

(iii) section 124.243, if the district receives capital expenditure facilities aid according to that section;

(iv) section 124.244, if the district receives capital expenditure equipment aid according to that section;

(v) section 124.83, if the district receives health and safety aid according to that section;

(vi) sections 124.2713, 124.2714, and 124.2715, if the district receives aid for community education programs according to any of those sections; and

(vii) section 275.125, subdivision 8b, if the district receives early childhood family education aid according to section 124.2711;

(viii) section 124.321, subdivision 3, if the district receives special education levy equalization aid according to that section;

(ix) section 124A.03, subdivision 1g, if the district receives referendum equalization aid according to that section; and

(x) section 124A.22, subdivision 4a, if the district receives training and experience aid according to that section;



(b) to the total amount of the district's certified levy in the preceding October, plus or minus auditor's adjustments.

Sec. 9. Minnesota Statutes 1991 Supplement, section 124.214, subdivision 3, is amended to read:

Subd. 3. [EXCESS TAX INCREMENT.] If a return of excess tax increment is made to a school district pursuant to section 469.176, subdivision 2, or upon decertification of a tax increment district, the school district's aid and levy limitations must be adjusted for the fiscal year in which the excess tax increment is paid under the provisions of this subdivision.

(a) An amount must be subtracted from the school district's aid for the current fiscal year equal to the product of:

(1) the amount of the payment of excess tax increment to the school district, times

(2) the ratio of:

(A) the sum of the amounts of the school district's certified levy for the fiscal year in which the excess tax increment is paid according to the following:

(i) section 124A.23, if the district receives general education aid according to that section, or section 124B.20, if the education district of which the district is a member receives general education aid according to that section;

(ii) section 275.125, subdivisions 5 and 5c, if the school district receives transportation aid according to section 124.225;

(iii) section 124.243, if the district receives capital expenditure facilities aid according to that section;

(iv) section 124.244, if the district receives capital expenditure equipment aid according to that section;

(v) section 124.83, if the district receives health and safety aid according to that section;

(vi) sections 124.2713, 124.2714, and 124.2715, if the district receives aid for community education programs according to any of those sections; and

(vii) section 275.125, subdivision 8b, if the district receives early childhood family education aid according to section 124.2711;

(viii) section 124.321, subdivision 3, if the district receives special education levy equalization aid according to that section;

(ix) section 124A.03, subdivision 1g, if the district receives referendum equalization aid according to that section; and

(x) section 124A.22, subdivision 4a, if the district receives training and experience aid according to that section;

(B) to the total amount of the school district's certified levy for the fiscal year, plus or minus auditor's adjustments.

(b) An amount must be subtracted from the school district's levy limitation for the next levy certified equal to the difference between:

- (1) the amount of the distribution of excess increment, and
- (2) the amount subtracted from aid pursuant to clause (a).

If the aid and levy reductions required by this subdivision cannot be made to the aid for the fiscal year specified or to the levy specified, the reductions must be made from aid for subsequent fiscal years, and from subsequent levies. The school district shall use the payment of excess tax increment to replace the aid and levy revenue reduced under this subdivision.

This subdivision applies only to the total amount of excess increments received by a school district for a calendar year that exceeds \$25,000.

Sec. 10. Laws 1991, chapter 265, article 7, section 37, subdivision 6, is amended to read:

Subd. 6. [CONTRACT FUNDS.] Any unexpended Contract funds awarded to a school, school district, or group of districts in one fiscal year do not cancel but are available in the next fiscal year shall be used only for outcome-based education purposes and activities specified in the contract. Any of the contract funds unexpended in the first fiscal year shall be available to the award recipient in the second fiscal year for the same purposes and activities.

Sec. 11. Laws 1991, chapter 265, article 9, section 76, is amended to read:

Sec. 76. [EFFECTIVE DATE.]

Section 123.38, subdivision 2b, is effective the day following final enactment and applies to the 1990-1991 school year and thereafter. Sections 123.33, subdivision 1; and 123.3514, subdivision 4 are

effective the day following final enactment and apply to 1991-1992 and later school years.

Sections 122.895; 123.35, subdivision 20; 125.09, subdivision 4; 128C.01, subdivision 5; 214.10, subdivision 9 are effective the day following final enactment. Section 122.41 is effective July 1, 1992. Section 120.062, subdivision 8a, paragraphs (b) and (c), are effective retroactively to December 1, 1990. Sections 123.3514, subdivision 4; and Section 124.17, subdivision 1c are effective retroactively to July 1, 1990. Section 281.17 is effective for taxes deemed delinquent after December 31, 1991. Sections 125.12, subdivisions 3a and 4a; and 125.17, subdivisions 2a and 3a are effective July 1, 1993. Sections 121.931, subdivisions 6a, 7, and 8; 121.932, subdivisions 2, 3, and 5; 121.933, subdivision 1; 121.934, subdivision 7; 121.935, subdivisions 1, 4, 6, and 8; 121.936, subdivisions 1, 2, and 4; and 121.937, subdivision 1, are effective July 1, 1993.

Under Minnesota Statutes, section 123.34, subdivision 9, a contract executed before July 1, 1991, between a superintendent and a school board that continues in effect beyond June 30, 1991, shall continue until terminated under those terms that were lawful at the time the contract was executed.

Sections 15 to 30 are effective July 1, 1993. Section 74 is effective the day following final enactment.

#### Sec. 12. [REENACTMENT.]

Minnesota Statutes 1990, section 120.105 repealed by Laws 1991, chapter 265, article 9, section 75 is reenacted and remains in effect without interruption.

#### Sec. 13. [REPEALER.]

Minnesota Statutes 1990, section 122.23, subdivisions 16a and 16b, are repealed. Minnesota Statutes 1991 Supplement, section 123.35, subdivision 19, is repealed effective July 1, 1995.

#### Sec. 14. [EFFECTIVE DATE.]

Sections 2 and 7 are effective July 1, 1995."

Delete the title and insert:

"A bill for an act relating to education; providing for general education and related revenue, transportation, special programs, other aids, levies, and programs; appropriating money; amending Minnesota Statutes 1990, sections 120.101, subdivision 5; 120.102, subdivision 1; 120.17, subdivisions 3a, 8a, 12, 14, 16, and by adding

subdivisions; 121.148, subdivision 3; 121.11, by adding a subdivision; 121.16, subdivision 1; 121.935, by adding subdivisions; 122.22, by adding a subdivision; 122.23, subdivisions 13, 16, and by adding a subdivision; 122.247, subdivision 1; 122.531, subdivisions 1a, 2, 2a, 2b, and 2c; 122.532, subdivision 2; 123.35, by adding a subdivision; 123.3514, subdivisions 6, as amended, as reenacted, 6b, as amended, as reenacted, and by adding a subdivision; 123.39, subdivision 8d; 123.58, by adding a subdivision; 123.744, as amended, as reenacted; 124.243, subdivision 2, and by adding a subdivision; 124.2725, subdivision 13; 124.331, subdivisions 1 and 3; 124.431, by adding a subdivision; 124.493, subdivision 1; 124.494, subdivisions 2, 4, and 5; 124.73, subdivision 1; 124.83, subdivisions 2, 6, and by adding subdivisions; 124.85, subdivision 4; 124A.22, subdivision 2a, and by adding subdivisions; 124A.23, subdivision 3; 124A.26, subdivision 2, and by adding a subdivision; 124C.07; 124C.08, subdivision 2; 124C.09; 124C.61; 125.05, subdivisions 1, 7, and by adding subdivisions; 125.12, by adding a subdivision; 125.17, by adding a subdivision; 126.12, subdivision 2; 126.22, by adding a subdivision; 127.46; 128A.09, subdivision 2, and by adding a subdivision; 128C.01, subdivision 4; 128C.02, by adding a subdivision; 134.34, subdivision 1, and by adding a subdivision; 136D.75; 182.666, subdivisions 6 and 7; 275.125, subdivision 10, and by adding subdivisions; Minnesota Statutes 1991 Supplement, sections 120.062, subdivision 8a; 120.064, subdivision 4; 120.17, subdivisions 3b, 7a, and 11a; 120.181; 121.585, subdivision 3; 121.831; 121.904, subdivisions 4a and 4e; 121.912, subdivision 6; 121.932, subdivisions 2 and 5; 121.935, subdivisions 1 and 6; 122.22, subdivision 9; 122.23, subdivision 2; 122.242, subdivision 9; 122.243, subdivision 2; 122.531, subdivision 4a; 123.3514, subdivisions 4 and 11; 123.702, subdivisions 1, 1a, and 1b; 124.155, subdivision 2; 124.19, subdivisions 1, 1b, and 7; 124.214, subdivisions 2 and 3; 124.2601, subdivision 6; 124.2721, subdivision 3b; 124.2727, subdivision 6, and by adding subdivisions; 124.493, subdivision 3; 124.646, subdivision 4; 124.83, subdivision 1; 124.95, subdivisions 1, 2, 3, 4, 5, and by adding a subdivision; 124A.03, subdivisions 1c, 2, 2a, and by adding a subdivision; 124A.23, subdivisions 1 and 4; 124A.24; 124A.26, subdivision 1; 124A.29, subdivision 1; 125.185, subdivisions 4 and 4a; 125.62, subdivision 6; 126.70; 135A.03, subdivision 3a; 136D.22, subdivision 3; 136D.71, subdivision 2; 136D.76, subdivision 2; 136D.82, subdivision 3; 245A.03, subdivision 2; 275.065, subdivision 1; 275.125, subdivisions 6j and 11g; 364.09; and 373.42, subdivision 2; Laws 1990, chapter 366, section 1, subdivision 2; Laws 1991, chapter 265, articles 3, section 39, subdivision 16; 4, section 30, subdivision 11; 5, sections 18, 23, and 24, subdivision 4; 6, sections 64, subdivision 6, 67, subdivision 3, and 68; 7, sections 37, subdivision 6, 41, subdivision 4, and 44; 8, sections 14 and 19, subdivision 6; and 9, sections 75 and 76; proposing coding for new law in Minnesota Statutes, chapters 121; 123; 124; 124C; and 135A; repealing Minnesota Statutes 1990, sections 121.25; 121.26; 121.27; 121.28; 122.23, subdivisions 16a and 16b; 124.274; 125.03, subdivision 5; 128A.022, subdivision 5; 134.34, subdivision 2; 136C.06; 136D.74, subdivision 3; 136D.76, and subdivision 3; Minnesota Statutes 1991 Supplement, sections 121.935, subdivisions 7 and 8;

123.35, subdivision 19; **124.2721**, subdivisions 5a and 5b; 124.2727, subdivisions 1, 2, 3, 4, and **5**; and 136D.90, subdivision 2; Laws 1990, chapters 562, article 12; and **604**, article 8, section 12; and Laws 1991, chapter 265, article **9**, section 73.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Anderson, I., from the Committee on Local Government and Metropolitan Affairs to **which** was referred:

H. F. No. 2190, A bill for an act relating to economic development; providing that Ramsey county may act as a housing and redevelopment authority for one year; amending Minnesota Statutes 1990, section 469.004, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, line 11, before the period insert “, except the authority may not levy a tax”

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, I., from the Committee on Local Government and Metropolitan Affairs to **which** was referred:

H. F. No. 2219, A bill for an act relating to transportation; providing tax incentives for the use of alternative means of commuting; directing the regional transit board to establish a program to reduce traffic congestion; prohibiting right turns in front of buses; providing public transit operations priority in the event of an energy supply emergency; establishing a demonstration enforcement project for high occupancy vehicle lane use; amending Minnesota Statutes 1990, sections 169.01, by adding a subdivision; 169.19, subdivision 1; 216C.15, subdivision 1; and 290.01, subdivision 19b, and by adding a subdivision; Minnesota Statutes 1991 Supplement, sections 169.346, subdivision 1; and 290.01, subdivision 19d; proposing coding for new law in Minnesota Statutes, chapters 169; 290; and 473.

Reported the same back with the following amendments:

Page 1, after line 19, insert:

“Section 1. Minnesota Statutes 1990, section 161.1231, subdivision 1, is amended to read:

Subdivision 1. [AUTHORITY TO CONSTRUCT.] Notwithstanding section 161.123 or any other law, the commissioner may acquire land by purchase, gift, or eminent domain for parking facilities described in this section and may construct, operate, repair, and maintain parking facilities primarily to serve vehicles traveling the route in the interstate highway system described in section 161.123, clause (2), also known as I-394 and, if approved by the federal government, vehicles occupied by two or more persons traveling other routes. Other vehicles may use the parking facilities when space is available.

Sec. 2. Minnesota Statutes 1990, section 161.1231, subdivision 2, is amended to read:

Subd. 2. [RULES AND PROCEDURES.] The commissioner shall adopt rules and establish procedures for the operation and use of the parking facilities. The rules are exempt from the requirements of chapter 14. A copy of the rules that regulate use of the facilities by drivers must be posted in each parking facility. The rules must:

(1) establish incentives, which must include preferential parking locations, to encourage drivers of vehicles that are occupied by two or more persons that travel on I-394 and that are occupied by two or more persons other routes, if approved by the federal government, to use the facilities;

(2) define peak travel hours and provide that during peak travel hours single-occupant vehicles be charged a surcharge to bring the parking fee for those vehicles to approximately the same level as parking fees charged in the private parking ramps located in Minneapolis;

(3) provide preferential parking locations for vehicles licensed and operated under section 168.021;

(4) establish application, permit, and use requirements; and

(5) provide for removal and impoundment of vehicles and assessment of a service fee on vehicles parked in violation of this section and the rules adopted under it.”

Page 2, line 5, delete “1” and insert “3”

Page 2, line 10, delete “\$100” and insert “\$50”

Page 7, lines 25 and 26, delete "7 to 10" and insert "9 to 12"

Page 7, line 36, delete "9" and insert "11"

Page 8, line 3, delete "8" and insert "10"

Page 8, after line 13, insert:

"Subd. 9. [HIGH-OCCUPANCY VEHICLE.] "High-occupancy vehicle" has the meaning given it in section 169.01, subdivision 77."

Page 8, line 17, delete "vehicle" and insert "vehicles"

Page 8, line 18, after "with" insert "employers and labor representatives in the metropolitan area,"

Page 8, line 31, delete "vehicle" and insert "vehicles"

Page 8, line 34, delete "multiple-occupancy" and insert "high-occupancy"

Page 9, line 2, before "The" insert "After reasonable notice and a public hearing on the proposed zones and vehicle occupancy rate goals,"

Page 9, line 13, delete "8" and insert "10"

Page 9, line 31, delete "shall" and insert "may"

Page 10, delete lines 16 to 22

Page 10, line 24, after "with" insert "employers,"

Page 10, lines 31, 33, and 36, delete "8" and insert "10"

Page 11, line 1, delete "8" and insert "10"

Page 11, after line 2, insert:

"Sec. 14. [CARPOOL INCENTIVES.]

The commissioner of transportation shall take all steps necessary to secure the approval of the federal government required to make all high-occupancy vehicles, whether traveling on I-394 or other routes, eligible for parking fee incentives in the garages constructed under section 161.1231.

Sec. 15. [APPLICATION TO FEDERAL ACTIONS.]

Nothing in this act requires the commissioner of transportation to take any action that (1) will jeopardize the state's eligibility for or ability to use federal highway funds or (2) the commissioner determines will result in any other federal action against the state.

Page 11, line 3, before "APPLICATION" insert "EFFECTIVE DATE;"

Page 11, line 4, delete "7 to 11" and insert "9 to 13"

Pages 11 and 12, delete section 1

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after "tax" insert "and other"

Page 1, line 10, after "sections" insert "161.1231, subdivisions 1 and 2;"

Page 1, line 11, delete everything after the semicolon

Page 1, line 12, delete the first "1;"

With the recommendation that when **so** amended the bill pass and be re-referred to the Committee on **Taxes**.

The report was adopted.

Munger from the Committee on **Environment** and Natural Resources to which was referred:

H. F. No. 2267, A bill for an act **relating** to the environment; expanding the eligibility of cities and **towns** for reimbursement from the petroleum tank release cleanup **account**; amending Minnesota Statutes 1990, section 115C.09, by **adding** a subdivision.

Reported the same back with the **following** amendments:

Delete everything after the enacting **clause** and insert:

"Section 1. Minnesota Statutes 1990, **section** 115C.02, subdivision 8, is amended to read:



Subd. 8. [OWNER.] "Owner" means a person who holds title to, controls, or possesses an interest in a tank. "Owner" does not include a person who holds an interest in a tank solely for financial security, unless through foreclosure or other related actions the holder of a security interest has taken possession of the tank and fails to take all necessary corrective action as a volunteer under section 115C.09. The state or an agency of the state is not an owner solely because it holds title to a tank or to real property where the tank is located in trust for taxing districts as a result of forfeiture of title for nonpayment of taxes.

Sec. 2. Minnesota Statutes 1990, section 115C.021, is amended by adding a subdivision to read:

Subd. 4. [MORTGAGEES.] (a) A mortgagee is not responsible for a release from a tank solely because the mortgagee becomes an owner of real property on which the tank is located through foreclosure of the mortgage or by receipt of the deed to the mortgaged property in lieu of foreclosure.

(b) A mortgagee of real property where a tank is located or a holder of a security interest in a tank is not an operator of the tank for the purpose of this section solely because the mortgagee or holder has a capacity to influence the operation of the tank to protect its security interest.

Sec. 3. Minnesota Statutes 1991 Supplement, section 115C.09, subdivision 3b, is amended to read:

Subd. 3b. [VOLUNTEER ELIGIBILITY.] (a) Notwithstanding subdivisions 1 to 3, a person may apply to the board for partial reimbursement under subdivision 3 who:

(1) is not a responsible person under section 115C.02;

(2) holds legal or equitable title to the property where a release occurred; and

(3) incurs reimbursable costs on or after May 23, 1989.

(b) A person eligible for reimbursement under this subdivision must, to the maximum extent possible, comply with the same conditions and requirements of reimbursement as those imposed by this section on a responsible person.

(c) The board may reduce the reimbursement to a person eligible under this subdivision if the person acquired legal or equitable title to the property from a responsible person who failed to comply with the provisions of subdivision 3, paragraph (f), except that the board may not reduce the reimbursement to a mortgagee who acquires

title to the property through foreclosure or receipt of a deed in lieu of foreclosure.

Sec. 4. Minnesota Statutes 1990, section 115C.09, is amended by adding a subdivision to read:

Subd. 3d. [POLITICAL SUBDIVISION ELIGIBILITY.] (a) Notwithstanding the provisions of subdivisions 1 to 3, a political subdivision may apply to the board for partial reimbursement under subdivision 3 where the political subdivision:

(1) is not a responsible person under section 115C.02; and

(2) incurs reimbursable costs on or after the effective date of this section.

(b) A political subdivision eligible for reimbursement under this subdivision may only apply for reimbursement if the identified responsible person has failed to take a corrective action ordered by the commissioner.

(c) A political subdivision eligible for reimbursement under this subdivision must, to the maximum extent possible, comply with the same conditions and requirements of reimbursement as those imposed by this section on a responsible person.

Sec. 5. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to the environment; changing and adding provisions relating to the liability of and reimbursement to mortgagees and holders of other security interests for petroleum tank releases; expanding the eligibility of political subdivisions for reimbursement from the petroleum tank release cleanup account; amending Minnesota Statutes 1990, sections 115C.02, subdivision 8; 115C.021, by adding a subdivision; and 115C.09, by adding a subdivision; Minnesota Statutes 1991 Supplement, section 115C.09, subdivision 3b."

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2320, A bill for an act relating to watershed districts; requiring counties to provide public notice prior to making watershed district manager appointments; eliminating the requirement that metropolitan counties must appoint watershed district managers from lists of nominees submitted by towns and municipalities; making local governments subject to watershed district permit fees; requiring watershed district audits by certified public accountants or the state auditor under certain circumstances; clarifying procedures for appealing watershed district decisions; allowing recovery of attorney fees; amending Minnesota Statutes 1990, sections 103D.311, subdivisions 2 and 3; 103D.345, subdivision 3; 103D.355, subdivision 1; 103D.535, subdivision 1; and 103D.545, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 103D.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1990, section 103D.311, subdivision 3, is amended to read:

**Subd. 3. [NOMINEES FOR CITY INITIATED AND METROPOLITAN WATERSHED DISTRICTS.]** (a) If the establishment petition that initiated the watershed district originated from a majority of the cities within the watershed district, the county commissioners must appoint the managers from a list of persons nominated by one or more of the townships and municipalities located within the watershed district. If the district is wholly within the metropolitan area, the county commissioners shall appoint the managers from a list of persons nominated jointly or severally by the towns and municipalities within the district. The list must contain at least three nominees for each manager's position to be filled. The list must be submitted to the county boards affected by the watershed district at least 60 days before the manager's term of office expires. The county commissioners may appoint any managers from towns and municipalities that fail to submit a list of nominees.

(b) If the list is not submitted 60 days before the managers' terms of office expire, the county commissioners must appoint the managers from eligible persons residing in the watershed district.

(c) Managers of a watershed district entirely within the metropolitan area must be appointed to fairly represent the various hydrologic areas within the watershed district by residence of the manager appointed.

Sec. 2. Minnesota Statutes 1990, section 103D.335, is amended by adding a subdivision to read:

Subd. 24. [EXEMPTION FROM POLITICAL SUBDIVISION PERMIT FEES.] A watershed district is exempt from fees charged by political subdivisions for permits required for activities conducted under subdivisions 8 to 10.

Sec. 3. Minnesota Statutes 1990, section 103D.355, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENT.] The managers must have an annual audit completed of the books and accounts of the watershed district. The annual audit may be made by a public accountant or by the state auditor. The annual audit must be made by a certified public accountant or the state auditor at least once every five years, or when cumulative district revenues or expenditures exceed an amount established by the board in consultation with the state auditor.

Sec. 4. Minnesota Statutes 1990, section 103D.535, subdivision 1, is amended to read:

Subdivision 1. [WHAT CAN BE APPEALED.] (a) Any party alone or jointly may appeal to the district court or to the board an order of the managers made in a proceeding relating to a project and entered in the watershed district's record that determines:

- (1) the amount of benefits determined;
- (2) the amount of damages allowed;
- (3) the allowance of fees or expenses in any proceedings;
- (4) a matter in the proceeding that affects a substantial right; or
- (5) an order of the managers authorizing or refusing to establish a project in whole or in part.

(b) Actions of the managers that do not relate to projects, including actions related to permits and actions to enforce watershed district rules, are not reviewable under this section.

Sec. 5. [103D.537] [APPEALS OF RULES, PERMIT DECISIONS, AND ORDERS NOT INVOLVING PROJECTS.]

(a) Except as provided in section 103D.535, an interested party may appeal a rule, permit decision, or order made by the managers by a declaratory judgment action brought under chapter 555 or by appeal to the board. The decision on appeal must be based on the

record made in the proceeding before the managers. An appeal of a permit decision must be filed within 30 days of the managers' decision.

(b) By January 1, 1993, the board shall adopt rules governing appeals to the board under paragraph (a). A decision of the board on appeal is subject to judicial review under sections 14.63 to 14.69.

Sec. 6. Minnesota Statutes 1990, section 103D.545, is amended by adding a subdivision to read:

Subd. 3. [ATTORNEY FEES AND COSTS.] In any civil action arising from or related to a rule, order, or stipulation agreement made or a permit issued or denied by the managers under this chapter, the court may award the prevailing party reasonable attorney fees and costs."

Delete the title and insert:

"A bill for an act to watershed districts; modifying requirements for appointing watershed district managers; requiring watershed district audits by certified public accountants or the state auditor under certain circumstances; clarifying procedures for appealing watershed district decisions; allowing recovery of attorney fees; amending Minnesota Statutes 1990, sections 103D.311, subdivision 3; 103D.335, by adding a subdivision; 103D.355, subdivision 1; 103D.535, subdivision 1; and 103D.545, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 103D."

With the recommendation that when so amended the bill pass.

The report was adopted.

Begin from the Committee on Labor-Management Relations to which was referred:

H. F. No. 2360, A bill for an act relating to unemployment compensation; pertaining to treatment of American Indian tribes as employers for purposes of unemployment compensation insurance contributions; amending Minnesota Statutes 1990, section 268.06, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1990, section 268.06, is amended by adding a subdivision to read:

Subd. 34. [EMPLOYERS WHO ARE INDIAN TRIBAL GOVERNMENTS.] To the extent permissible under the laws of the United States, an Indian tribe defined in section 268.0111, subdivision 5a, shall, if elected by the tribe, be treated as a self-sustaining state and political subdivision employer for the purposes of subdivisions 25, 26, and 31, for its employees performing governmental functions. Any such tribal election must be in writing to the commissioner and must agree to be bound by the election for a minimum of two years.

Sec. 2. [TEMPORARY UNEMPLOYMENT INSURANCE RATE; ABATEMENT OF PENALTY, INTEREST, AND COSTS; RED LAKE BAND.]

Notwithstanding Minnesota Statutes, section 268.06, subdivisions 2 and 3a, and to the extent permissible under the laws of the United States, the commissioner of the department of jobs and training is directed to enter into a compromise agreement with the governing body of the Red Lake Band of Chippewa Indians. The agreement shall retroactively establish and apply a zero-percentage contribution rate for each quarter of the years 1988, 1989, 1990, 1991, and 1992, for which no benefits under Minnesota Statutes, sections 268.001 to 268.25, were paid on account of employment for such tribe. For any such quarter in which benefits were paid but no contribution was made as otherwise required, the compromise agreement shall require such tribe to pay within a reasonable period of time to the Minnesota unemployment compensation fund an amount equivalent to the amount of benefits paid. All other amounts otherwise payable from such tribe for such period, including but not limited to, delinquent contributions, reimbursements, interest, penalties, and costs are: (1) hereby abated; and (2) such tribe is hereby relieved of all liability therefor.”

Delete the title and insert:

“A bill for an act relating to unemployment compensation; pertaining to treatment of American Indian tribal governments as employers for purposes of unemployment compensation insurance payments; amending Minnesota Statutes 1990, section 268.06, by adding a subdivision.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, I., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2463, A bill for an act relating to courts; providing for the distribution of certain court revenue in Ramsey county; amending Minnesota Statutes 1990, section 488A.20, subdivision 4.

Reported the same back with the following amendments:

Page 3, after line 15, insert:

"Sec. 2. [ADJUSTMENTS TO LEVY LIMITS.]

If the repeal of Minnesota Statutes, sections 275.50 to 275.58, is delayed or is reenacted by a law enacted in the 1992 legislative session, the commissioner of revenue shall adjust the payable 1993 levy limitations for the city of St. Paul and Ramsey county. The commissioner shall decrease St. Paul's levy limitation by an amount equal to the estimated increase in revenue which the city will be receiving in calendar year 1993 based upon the change in the distribution of fines or penalties under Minnesota Statutes, section 488A.20, subdivision 4. The commissioner shall increase Ramsey county's levy limitation by an amount equal to the estimated loss in revenue to Ramsey county in calendar year 1993 resulting from the change in distribution of fines or penalties under section 488A.20, subdivision 4. For purposes of the levy limit adjustments made under this section, collections estimated in Ramsey county's 1992 adopted budget will be used to determine the revenue loss to the county and the revenue gain to the city. This adjustment will be a permanent levy limit base adjustment for taxes payable in 1994 and subsequent years. The amounts shall be certified to the commissioner of revenue by the Ramsey county court administrator on or before June 1, 1992.

Sec. 3. [EFFECTIVE DATE.]

Section 1 is effective for collections made January 1, 1993, and thereafter."

Amend the title as follows:

Page 1, line 3, after the semicolon insert "providing for an adjustment to levy limits;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 2499, A bill for an act relating to human services; providing for medical assistance coverage of personal care services provided outside the home when authorized by the responsible party; allowing recipients to request continuation of services at a previously authorized level while an appeal is pending; amending Minnesota Statutes 1991 Supplement, sections 256B.0625, subdivision 19a; and 256B.0627, subdivisions 5 and 6.

Reported the same back with the following amendments:

Page 1, after line 10, insert:

“Section 1. Minnesota Statutes 1991 Supplement, section 256B.0625, subdivision 6a, is amended to read:

Subd. 6a. [HOME HEALTH SERVICES.] Home health services are those services specified in Minnesota Rules, part 9505.0290. Medical assistance covers home health services at a recipient's home residence. Medical assistance does not cover home health services at a hospital, nursing facility, intermediate care facility, or a health care facility licensed by the commissioner of health, unless the program is funded under a home- and community-based services waiver or unless the commissioner of human services has prior authorized skilled nurse visits for less than 90 days for a resident at an intermediate care facility for persons with mental retardation, to prevent an admission to a hospital or nursing facility. Home health services must be provided by a Medicare certified home health agency. All nursing and home health aide services must be provided according to section 256B.0627.”

Page 1, line 11, delete “Section 1.” and insert “Sec. 2.”

Page 2, line 5, strike “their” and insert “the recipient's”

Page 2, line 6, before the period insert “unless, in the case of a foster provider, a county or state case manager visits the recipient as needed, but no less than every six months, to monitor the health and safety of the recipient and to ensure the goals of the care plan are met”

Page 2, line 9, strike “An exception”

Page 2, strike lines 10 and 11 and insert:

“Sec. 3. Minnesota Statutes 1991 Supplement, section 256B.0627, subdivision 1, is amended to read:



Subdivision 1. [DEFINITION.] (a) "Home care services" means a health service, determined by the commissioner as medically necessary, that is ordered by a physician and documented in a care plan that is reviewed by the physician at least once every 60 days for the provision of home health services, or private duty nursing, or at least once every 365 days for personal care. Home care services are provided to the recipient at the recipient's residence that is a place other than a hospital or long-term care facility or as specified in section 256B.0625.

(b) "Medically necessary" has the meaning given in Minnesota Rules, parts 9505.0170 to 9505.0475.

(c) "Care plan" means a written description of the services needed which shall include is signed by the recipient or responsible party and includes a detailed description of the covered home care services, who is providing the services, frequency of those services, and duration of those services. The care plan shall also include, and expected outcomes and goals including expected date of goal accomplishment.

(d) "Responsible party" means an individual residing with a recipient of personal care services who is capable of providing the supportive care necessary to assist the recipient to live in the community, is at least 18 years old, and is not a personal care assistant. Responsible parties who are parents of minors or guardians of minors or incapacitated persons may delegate the responsibility to another adult during a temporary absence of at least 24 hours but not more than six months. The person delegated as a responsible party must be able to meet the definition of responsible party, except that the delegated responsible party is required to reside with the recipient only while serving as the responsible party. Foster care license holders may be designated the responsible party for residents of the foster care home if case management is provided as required in section 256B.0625, subdivision 19a. For persons who, as of April 1, 1992, are sharing personal care services in order to obtain the availability of 24-hour coverage, an employee of the personal care provider organization may be designated as the responsible party if case management is provided as required in section 256B.0625, subdivision 19a.

Sec. 4. Minnesota Statutes 1991 Supplement, section 256B.0627, subdivision 4, is amended to read:

Subd. 4. [PERSONAL CARE SERVICES.] (a) The personal care services that are eligible for payment are the following:

- (1) bowel and bladder care;
- (2) skin care to maintain the health of the skin;

- (3) range of motion exercises;
- (4) respiratory assistance;
- (5) transfers;
- (6) bathing, grooming, and hairwashing necessary for personal hygiene;
- (7) turning and positioning;
- (8) assistance with furnishing medication that is normally self-administered;
- (9) application and maintenance of prosthetics and orthotics;
- (10) cleaning medical equipment;
- (11) dressing or undressing;
- (12) assistance with food, nutrition, and diet activities;
- (13) accompanying a recipient to obtain medical diagnosis or treatment;
- (14) helping the recipient to complete daily living skills such as personal and oral hygiene and medication schedules;
- (15) supervision and observation that are medically necessary because of the recipient's diagnosis or disability; and
- (16) incidental household services that are an integral part of a personal care service described in clauses (1) to (15).

(b) The personal care services that are not eligible for payment are the following:

- (1) personal care services that are not in the care plan developed by the supervising registered nurse in consultation with the personal care assistants and the recipient or the responsible party directing the care of the recipient;
- (2) services that are not supervised by the registered nurse;
- (3) services provided by the recipient's spouse, legal guardian, or parent of a minor child;
- (4) services provided by a foster care provider of a recipient who cannot direct their own care, unless prior authorized by the commie-

sioner under paragraph (j) monitored by a county or state case manager under section 256B.0625, subdivision 19a;

(5) sterile procedures;

(6) injections of fluids into veins, muscles, or skin;

(7) services provided by parents of adult recipients, adult children, or adult siblings, unless these relatives meet one of the following hardship criteria and the commissioner waives this requirement:

(i) the relative resigns from a part-time or full-time job to provide personal care for the recipient;

(ii) the relative goes from a full-time to a part-time job with less compensation to provide personal care for the recipient;

(iii) the relative takes a leave of absence without pay to provide personal care for the recipient;

(iv) the relative incurs substantial expenses by providing personal care for the recipient; or

(v) because of labor conditions, the relative is needed in order to provide an adequate number of qualified personal care assistants to meet the medical needs of the recipient;

(8) homemaker services that are not an integral part of a personal care services; and

(9) home maintenance, or chore services.”

Page 2, line 12, delete “Sec. 2.” and insert “Sec. 5.”

Page 4, line 12, after the period insert “When home health services are used in combination with personal care and private duty nursing, the cost of all home care services shall be considered for cost effectiveness.”

Page 5, line 29, strike “they require” and insert “the care required is difficult to perform and requires more time than community-based standards allow or the recipient’s condition or treatment requires more training or skill than would ordinarily be required and the recipient needs or has one or more of the following”

Page 5, line 36, strike “or”

Page 6, line 1, after “(G)” insert “quadriplegia; or

(H)”

Page 7, line 30, after the first comma insert "the cost effectiveness of services."

Page 7, line 33, after the first comma insert "the cost of services."

Page 8, strike lines 2 to 6 and insert "Providers may request a temporary authorization for home care services by phone. The commissioner may approve a temporary level of home care services based on the assessment and care plan information provided by an appropriately licensed nurse. Authorization for a temporary level of home care services is limited to the time specified by the commissioner, but shall not exceed 30 days. The level of services authorized under this provision shall have no bearing on a future prior authorization."

Page 8, line 18, strike everything after "or"

Page 8, line 19, strike everything before the semicolon and insert "case management is provided as required in section 256B.0625, subdivision 19a"

Page 8, line 23, strike everything after "unless"

Page 8, strike line 24

Page 8, line 25, strike "evaluation team" and insert "case management is provided as required in section 256B.0625, subdivision 19a"

Page 8, line 27, after "four" insert "unless the county responsible for the recipient's foster placement made the placement prior to April 1, 1992, requests that home care services be provided, and case management is provided as required in section 256B.0625, subdivision 19a"

Page 8, line 29, strike "less the base rate" and insert "other than room and board payments plus the cost of home- and community-based waived services unless the costs of home care services and waived services are combined and managed under the waiver program"

Page 8, line 32, delete "Sec. 3." and insert "Sec. 6."

Page 9, line 4, delete "Sec. 4." and insert "Sec. 7."

Page 9, line 5, delete "3" and insert "6"

Amend the title as follows:

Page 1, line 2, after the semicolon insert "adding a home- and community-based services waivers to home health services; requiring a county or state case manager to visit the recipient; defining care plan and responsible party;"

Page 1, line 8, delete "subdivision" and insert "subdivision 6a and"

Page 1, line 9, after "subdivisions" insert "1, 4," and after "5" insert a comma

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2504, A bill for an act relating to waste management; requiring recycling of fluorescent lamps in state buildings; amending Minnesota Statutes 1990, section 16B.24, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1990, section 16B.24, is amended by adding a subdivision to read:

Subd. 11. [RECYCLING OF FLUORESCENT LAMPS.] When a fluorescent lamp containing mercury is removed from service in a building or premises owned by the state or rented by the state for the use of a state agency, the commissioner shall ensure that the lamp is recycled if recycling facilities are available in this state. For the purposes of this subdivision, recycling means:

(1) the removal and proper management of the mercury and other contents of the lamp so as to prevent releases into the environment to the maximum extent possible; and

(2) the recycling, as defined in section 115A.03, subdivision 25b, of the glass and metals.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective July 1, 1992.

Delete the title and insert:

“A bill for an act relating to waste management; requiring recycling of fluorescent lamps in state buildings; amending Minnesota Statutes 1990, section 16B.24, by adding a subdivision.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Osthoff from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 2514, A bill for an act relating to veterans; establishing a grant program to enhance the operations of county veterans service offices; establishing an education program for county veterans service officers; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 197.

Reported the same back with the following amendments:

Page 2, line 33, delete the period and insert “, determined in the following manner:

(i) if the county's veteran population is less than 1,000, the county's grant share shall be \$2,000;

(ii) if the county's veteran population is 1,000 or more but less than 3,000, the county's grant share shall be \$4,000;

(iii) if the county's veteran population is 3,000 or more but less than 10,000, the county's grant share shall be \$6,000; or

(iv) if the county's veteran population is 10,000 or more, the county's grant share shall be \$8,000.

In any year, only one-half of the counties in each of the four veteran population categories in items (i) to (iv) shall be awarded grants. Grants shall be awarded on a first-come first-served basis to counties submitting applications which meet the commissioner's criteria as established in the rules. Any county not receiving a grant in any given year shall receive priority consideration for a grant the following year.

If in any year the appropriation for this program is less than the

sum of grant shares for all eligible counties as specified in this subdivision, then the county shares shall be reduced proportionately.

In any year, after a period of time to be determined by the commissioner, any amounts remaining from undistributed county grant shares may be reallocated to the other counties which have submitted qualifying applications.

The veteran population of each county shall be determined by the figure supplied by the United States Department of Veterans Affairs, as adopted by the commissioner."

Page 2, delete lines 34 to 36

Page 3, delete lines 1 to 5

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2543, A bill for an act relating to water and soil resources; lands eligible for the reinvest in Minnesota program; amending Minnesota Statutes 1990, sections 103F.505; 103F.511, by adding a subdivision; and Minnesota Statutes 1991 Supplement, section 103F.515, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1990, section 103F.505, is amended to read:

103F.505 [PURPOSE AND POLICY.]

It is the purpose of sections 103F.505 to 103F.531 to keep certain marginal agricultural land out of crop production to protect soil and water quality and support fish and wildlife habitat. It is state policy to encourage the retirement of marginal, highly erodible land, particularly land adjacent to public waters and, drainage systems, wetlands, and locally designated priority waters, from crop production and to reestablish a cover of perennial vegetation.

Sec. 2. Minnesota Statutes 1990, section 103F.511, is amended by adding a subdivision to read:

Subd. 8a. [RIPARIAN LAND.] “Riparian land” means lands adjacent to public waters, drainage systems, wetlands, or locally designated priority waters identified in a comprehensive local water plan, as defined in section 103B.3363, subdivision 3.

Sec. 3. Minnesota Statutes 1991 Supplement, section 103F.515, subdivision 2, is amended to read:

Subd. 2. [ELIGIBLE LAND.] (a) Land may be placed in the conservation reserve program if the land meets the requirements of paragraphs (b) and (c).

(b) Land is eligible if the land:

(1) is marginal agricultural land;

(2) is adjacent to marginal agricultural land and is either beneficial to resource protection or necessary for efficient recording of the land description;

(3) consists of a drained wetland;

(4) is land that with a windbreak would be beneficial to resource protection;

(5) is land in a sensitive groundwater area;

(6) is ~~cropland adjacent to public waters~~ riparian land;

(7) is cropland or noncropland adjacent to restored wetlands to the extent of up to four acres of cropland or one acre of noncropland for each acre of wetland restored;

(8) is a woodlot on agricultural land;

(9) is abandoned building site on agricultural land, provided that funds are not used for compensation of the value of the buildings; or

(10) is land on a hillside used for pasture.

(c) Eligible land under paragraph (a) must:

(1) ~~have been owned by the landowner on January 1, 1985, or be owned by the landowner, or a parent or other blood relative of the landowner, for at least one year before the date of application;~~



(2) be at least five acres in size, except for a windbreak, woodlot, or abandoned building site, or be a whole field as defined by the United States Agricultural Stabilization and Conservation Services;

(3) not be set aside, enrolled or diverted under another federal or state government program; and

(4) have been in agricultural crop production for at least two of the last five years before the date of application during the period 1981 to 1985 except drained wetlands, riparian lands, woodlots, abandoned building sites, or land on a hillside used for pasture.

(d) The enrolled land of a landowner may not exceed 20 percent of the average farm size in the county where the land is being enrolled according to the average farm size determined by the United States Department of Agriculture, Census of Agriculture.

(e) In selecting drained wetlands for enrollment in the program, the highest priority must be given to wetlands with a cropping history during the period 1976 to 1985.

(f) In selecting land for enrollment in the program, highest priority must be given to permanent easements that are consistent with the purposes stated in section 103F.505."

With the recommendation that when so amended the bill pass.

The report was adopted.

Reding from the Committee on Governmental Operations to which was referred:

H. F. No. 2586, A bill for an act providing for a study of the civic and cultural functions of downtown Saint Paul.

Reported the same back with the following amendments:

Page 2, line 4, after the third comma insert "the Dahl House,"

Page 2, line 32, delete "and"

Page 2, delete lines 33 to 36

Page 3, delete lines 1 to 3, and insert:

"(8) one appointee of the Minnesota Historical Society;

- (9) one appointee of the Minnesota Humanities Commission;
- (10) one appointee of District Council Number 17;
- (11) one appointee of the Minnesota Association of Museums;
- (12) one appointee of the Heritage Preservation Commission;
- (13) one appointee of the Minnesota department of tourism; and
- (14) one appointee of the Saint Paul Chamber of Commerce.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 2603, A bill for an act relating to human services; authorizing medical assistance coverage of nursing care provided in a hospital swing bed to a patient in the last stage of a terminal illness; amending Minnesota Statutes 1991 Supplement, section 256B.0625, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1991 Supplement, section 256B.0625, subdivision 2, is amended to read:

Subd. 2. [SKILLED AND INTERMEDIATE NURSING CARE.] Medical assistance covers skilled nursing home services and services of intermediate care facilities, including training and habilitation services, as defined in section 252.41, subdivision 3, for persons with mental retardation or related conditions who are residing in intermediate care facilities for persons with mental retardation or related conditions. Medical assistance must not be used to pay the costs of nursing care provided to a patient in a swing bed as defined in section 144.562, unless (a) the facility in which the swing bed is located is eligible as a sole community provider, as defined in Code of Federal Regulations, title 42, section 412.92, or the facility is a public hospital owned by a governmental entity with 15 or fewer licensed acute care beds; (b) the health care financing administration approves the necessary state plan amendments; (c) the patient was screened as provided by law; (d) the patient no

longer requires acute care services; and (e) no nursing home beds are available within 25 miles of the facility. Medical assistance also covers up to ten days of nursing care provided to a patient in a swing bed if: (1) the patient's physician certifies that the patient has a terminal illness or condition that is likely to result in death within 30 days and that moving the patient would not be in the best interests of the patient and patient's family; (2) no open nursing home beds are available within 25 miles of the facility; and (3) no open beds are available in any Medicare hospice program within 50 miles of the facility. The daily medical assistance payment for nursing care for the patient in the swing bed is the statewide average medical assistance skilled nursing care per diem as computed annually by the commissioner on July 1 of each year."

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 2608, A bill for an act relating to consumer protection; requiring certain creditors to file credit card disclosure reports with the state treasurer; providing rulemaking authority; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 325G.

Reported the same back with the following amendments:

Page 1, line 13, after the period insert "This report must be filed annually on December 31."

Pages 1 and 2, delete section 2

Amend the title as follows:

Page 1, line 5, delete "appropriating money;"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Osthoff from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 2642, A bill for an act relating to armories; providing for a public hearing before the adjutant general closes an armory; amending Minnesota Statutes 1990, section 193.36, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, delete lines 7 to 20, and insert:

“Section 1. Minnesota Statutes 1990, section 190.25, subdivision 1, is amended to read:

Subdivision 1. The adjutant general is hereby authorized to acquire in the name of the state by purchase, lease, gift, or condemnation, all lands which the adjutant general may deem necessary, including lands already devoted to a public use, for military training purposes, adjacent to or in the vicinity of the military field training center at Camp Ripley, or at any other suitable place in this state, subject to the limitations of funds appropriated and available.”

Delete the title and insert:

“A bill for an act relating to military; authorizing the adjutant general to lease certain land; amending Minnesota Statutes 1990, section 190.25, subdivision 1.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Murphy from the Committee on Energy to which was referred:

H. F. No. 2685, A bill for an act relating to energy; requiring the use of energy-efficient lighting for highways, streets, and parking lots; establishing minimum energy efficiency standards for lamps, motors, showerheads, faucets, and replacement commercial heating, ventilating, and air conditioning equipment; requiring that all new residential combustion appliances be unable to spill combustion gases into homes regardless of the airtightness or operating condition of the home; requiring continuing education in energy efficiency standards in building codes for licensed building contractors, remodelers, and specialty contractors; authorizing rulemaking; amending Minnesota Statutes 1990, section 216C.19, subdivision 1,

and by adding subdivisions; and Minnesota Statutes 1991 Supplement, section 326.87, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1990, section 216C.19, subdivision 1, is amended to read:

Subdivision 1. After consultation with the commissioner and the commissioner of public safety, the commissioner of transportation shall, ~~pursuant to adopt rules under chapter 14, promulgate rules~~ establishing ~~maximum minimum~~ energy use efficiency standards for street, highway, and parking lot lighting. The standards shall ~~must~~ be consistent with overall protection of the public health, safety and welfare. No new highway, street or parking lot lighting shall ~~may~~ be installed in violation of these rules ~~and~~. Existing lighting levels shall be reduced consistent with the rules as soon as ~~feasible and practical, consistent with overall energy conservation~~ light fixtures, excluding roadway sign lighting, using lamps with efficiencies less than 70 lumens per watt must be replaced when worn out with fixtures using lamps with efficiencies of at least 70 lumens per watt.

Sec. 2. Minnesota Statutes 1990, section 216C.19, subdivision 13, is amended to read:

Subd. 13. No new room air conditioner ~~or room air conditioner heat pump~~ shall be sold or installed or transported for resale into Minnesota unless it has an energy efficiency ratio of 7.0 ~~or higher~~. Beginning January 1, 1987, the energy efficiency ratio for room air conditioners with a 6,000 Btu per hour rating or higher must be 7.8 ~~or higher~~. For purposes of this subdivision, “energy efficiency ratio” means the ratio of the cooling capacity of the air conditioner in British thermal units per hour to the electrical input in watts. The cooling capacity, electrical input, and energy efficiency ratio of room air conditioners and room air conditioning heat pumps is determined by using the standard for room air conditioners, approved by the American National Standards Institute on April 20, 1982, known as ANSIAHAM RAC-1, with ASHRAE 58-74 used in lieu of ASHRAE 58-65. The method of sampling of room air conditioners shall be that required by the Department of Energy and found in 44 Federal Register 22410-22418 (April 13, 1979). A new room air conditioner having dual voltage ratings shall conform to the energy efficiency ratio requirements at each rating equal to or greater than the values adopted under subdivision 8.

Sec. 3. Minnesota Statutes 1990, section 216C.19, is amended by adding a subdivision to read:

Subd. 16. [LAMPS.] (a) For purposes of this subdivision, the following terms have the meanings given them in this paragraph:

(1) "lamp efficiency" means the lumen output of a lamp divided by its wattage, expressed in lumens per watt;

(2) "lamp wattage" means the total electrical power consumed by a lamp in watts;

(3) "life" means the average rated life of a lamp in hours;

(4) "nonreflector general service incandescent lamps" means lamps, including tungsten-halogen lamps, that have rated wattage between 30 and 199, E26 medium screw bases, rated voltage or voltage ranges lying at least in part within 115 and 130 volts; and

(5) "reflector incandescent lamps" means lamps containing inner reflective coatings on the outer bulbs to direct light.

(b) No lamp may be sold in Minnesota unless it meets or exceeds the following standards for lamp efficiency:

(1) for nonreflector general service incandescent lamps with nominal wattages between 30 and 36 and a life of 750 to 1,999 hours, 11.7 lumens per watt;

(2) for nonreflector general service incandescent lamps with nominal wattages between 30 and 36 and a life of 2,000 to 2,999 hours, 10.4 lumens per watt;

(3) for nonreflective general service incandescent lamps with nominal wattages between 30 and 36 watts and a life of 3,000 to 4,499 hours, 10 lumens per watt;

(4) for nonreflector general service incandescent lamps with nominal wattages between 37 and 57 and a life of 750 to 1,999 hours, 13.7 lumens per watt;

(5) for nonreflector general service incandescent lamps with nominal wattages between 37 and 57 and a life of 2,000 to 2,999 hours, 12.4 lumens per watt;

(6) for nonreflector general service incandescent lamps with nominal wattages of 37 to 57 and a life of 3,000 to 4,499, 10.9 lumens per watt;

(7) for nonreflector general service incandescent lamps with nominal wattages of 58 to 70 and a life of 700 to 1,999 hours, 15 lumens per watt;

(8) for nonreflector general service incandescent lamps with nominal wattages of 58 to 70 and a life of 2,000 to 2,999 hours, 13.4 lumens per watt;

(9) for nonreflector general service incandescent lamps with nominal wattages of 58 to 70 and a life of 3,000 to 4,499 hours, 12 lumens per watt;

(10) for nonreflector general service incandescent lamps with nominal wattages of 71 to 95 and a life of 700 to 1,999 hours, 16.6 lumens per watt;

(11) for nonreflector general service incandescent lamps with nominal wattages of 71 to 95 and a life of 2,000 to 2,999 hours, 13.6 lumens per watt;

(12) for nonreflector general service incandescent lamps with nominal wattages of 71 to 95 and a life of 3,000 to 4,499 hours, 12.1 lumens per watt;

(13) for nonreflector general service incandescent lamps with nominal wattages of 96 to 142 and a life of 700 to 1,999 hours, 17.9 lumens per watt;

(14) for nonreflector general service incandescent lamps with nominal wattages of 96 to 142 and a life of 2,000 to 2,999 hours, 15.5 lumens per watt;

(15) for nonreflector general service incandescent lamps with nominal wattages of 96 to 142 and a life of 3,000 to 4,499 hours, 14 lumens per watt;

(16) for nonreflector general service incandescent lamps with nominal wattages of 143 to 160 and a life of 700 to 1,999 hours, 20 lumens per watt;

(17) for nonreflector general service incandescent lamps with nominal wattages of 143 to 160 and a life of 2,000 to 2,999 hours, 16.5 lumens per watt;

(18) for nonreflector general service incandescent lamps with nominal wattages of 143 to 160 and a life of 3,000 to 4,499 hours, 15 lumens per watt;

(19) for reflector incandescent lamps with nominal wattages of 51 to 66, 11 lumens per watt;

(20) for reflector incandescent lamps with nominal wattages of 67 to 85, 12.5 lumens per watt;

(21) for reflector incandescent lamps with nominal wattages of 86 to 115, 14 lumens per watt;

(22) for reflector incandescent lamps with nominal wattages of 116 to 155, 14.5 lumens per watt; and

(23) for reflector incandescent lamps with nominal wattages of 156 to 205, 15 lumens per watt.

(c) This subdivision does not apply to general service incandescent lamps specifically designed for:

(1) traffic signal or street lighting service;

(2) airway, airport, aircraft, or other aviation service;

(3) marine or marine signal service;

(4) photo, projection, sound reproduction, or film viewer service;

(5) stage, studio, or television service;

(6) mill, sawmill, or other industrial process service;

(7) mine service;

(8) headlight, locomotive, street railway, or other ground transportation service;

(9) heating applications as described in the Illuminating Engineering Society 1984 Reference Handbook;

(10) code beacon, marine signal, lighthouse, reprographic, or other communication service;

(11) medical or dental service;

(12) microscope, map, microfilm, or other specialized equipment service; or

(13) swimming pool or other underwater service.

Sec. 4. Minnesota Statutes 1990, section 216C.19, is amended by adding a subdivision to read:

Subd. 17. [MOTORS.] No motor covered by this subdivision, excluding those sold as part of an appliance, may be sold in Minnesota unless its nominal efficiency meets or exceeds the values adopted under subdivision 8.



Sec. 5. Minnesota Statutes 1990, section 216C.19, is amended by adding a subdivision to read:

Subd. 18. [COMMERCIAL HEATING, AIR CONDITIONING, AND VENTILATING EQUIPMENT.] (a) This subdivision applies to electrically operated unitary and packaged terminal air conditioners and heat pumps, electrically operated water-chilling packages, gas- and oil-fired boilers, and warm air furnaces and combination warm air furnaces and air conditioning units installed in buildings housing commercial or industrial operations.

(b) No commercial heating, air conditioning, or ventilating equipment covered by this subdivision may be sold or installed in Minnesota unless it meets or exceeds the minimum performances standards established by ASHRAE standard 90.1.

Sec. 6. Minnesota Statutes 1990, section 216C.19, is amended by adding a subdivision to read:

Subd. 19. [SHOWERHEADS; FAUCETS.] (a) No showerhead, other than a safety shower showerhead, may be sold or installed in Minnesota if it permits a maximum water use in excess of 2.5 gallons per minute when measured at a flowing water pressure of 80 pounds per square inch.

(b) No kitchen faucet or kitchen replacement aerator may be sold or installed in Minnesota if it permits a maximum water use in excess of 2.5 gallons per minute when measured at a flowing water pressure of 80 pounds per square inch.

(c) No lavatory faucet or lavatory replacement aerator may be sold or installed in Minnesota if it permits a maximum water use in excess of two gallons per minute when measured at a flowing water pressure of 80 pounds per square inch.

Sec. 7. Minnesota Statutes 1990, section 216C.19, is amended by adding a subdivision to read:

Subd. 20. [RULES.] The commissioner shall adopt rules to implement subdivisions 13 and 16 to 19, including rules governing testing of products covered by those sections. The rules may make allowance for wholesalers, distributors, or retailers who have inventory or stock which was acquired prior to July 1, 1993. The rules must consider appropriate efficiency requirements for motors used infrequently in agricultural and other applications.

Sec. 8. Minnesota Statutes 1991 Supplement, section 326.87, subdivision 1, is amended to read:

Subdivision 1. [STANDARDS.] The commissioner, in consultation

with the council, may adopt standards for continuing education requirements and course approval. The standards must include requirements for continuing education in the implementation of energy codes applicable to buildings and other building codes designed to conserve energy. Except for the course content, the standards must be consistent with the standards established for real estate agents and other professions licensed by the department of commerce.

Sec. 9. [DEADLINE FOR RULEMAKING.]

The rules required by section 7 must be in effect by the effective date of sections 2 to 6.

Sec. 10. [EFFECTIVE DATE.]

Sections 2 to 6 are effective July 1, 1993."

Delete the title and insert:

"A bill for an act relating to energy; requiring the use of energy-efficient lighting for highways, streets, and parking lots; establishing minimum energy efficiency standards for air conditioners, lamps, motors, showerheads, faucets, and replacement commercial heating, ventilating, and air conditioning equipment; requiring continuing education in energy efficiency standards in building codes for licensed building contractors, remodelers, and specialty contractors; authorizing rulemaking; amending Minnesota Statutes 1990, section 216C.19, subdivisions 1, 13, and by adding subdivisions; Minnesota Statutes 1991 Supplement, section 326.87, subdivision 1."

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, I., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2707, A bill for an act relating to state lands; authorizing public sale of certain tax-forfeited land in Mille Lacs county.

Reported the same back with the following amendments:

Page 1, after line 19, insert:

"Sec. 2. [EXCHANGE OF LAND; AITKIN COUNTY.]

Subdivision 1. Notwithstanding the requirements of Minnesota Statutes, sections 94.341 to 94.348 and 103F.535 or any other law, and with the approval of the land exchange board, the commissioner of natural resources shall exchange the land described in subdivision 3 for land owned by Thomas Godward, et. al., and described in subdivision 4.

Subdivision 2. The exchange must be in a form approved by the attorney general after the attorney general has determined, in the manner provided for in Minnesota Statutes, section 94.343, subdivision 9, that the title of the land proposed to be conveyed to the state is good and marketable. The land the state receives must be substantially equal in value to the state land exchanged and any deficiency in value must be paid to the state.

Subd. 3. Subject to the provisions of this section, the commissioner shall exchange the property described in this subdivision for the property owned by Thomas Godward, et. al., which is described in subdivision 4.

W1/2 of the NE 1/4 of section 18-48-26; E1/2 of the SW 1/4 of the SE 1/4 of section 7-48-26; and the W1/2 of the SE 1/4 of section 13-48-27 except the South 66 feet, all in Aitkin county, containing 176 acres, more or less.

Subd. 4. [GODWARD PROPERTY.] Thomas Godward, et. al., may exchange the real property described in this subdivision for the real property owned by the state and described in subdivision 3.

S1/2 of the NE 1/4, and the SE 1/4 of the NW 1/4 of section 33-48-24, subject to the railroad right of way and less 1 acre (to be specifically described in the deed of conveyance); and the N1/2 of the NW 1/4 of section 22-46-23 all in Aitkin county containing 175 acres, more or less."

Renumber the remaining section

Page 1, line 21, delete "Section 1 is" and insert "Sections 1 and 2 are"

Amend the title as follows:

Page 1, line 3, after "county" insert ", and the exchange of certain state-owned lands in Aitkin county"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2717, A bill for an act relating to water; requiring maintenance of a statewide nitrate data base; establishing a nitrate data advisory task force; modifying requirements relating to sealing of wells; establishing a well sealing account; requiring a report on environmental consulting services; appropriating money; amending Minnesota Statutes 1990, sections 103I.301, subdivision 4; 103I.315; and 103I.341, subdivisions 1 and 5; Minnesota Statutes 1991 Supplement, sections 16B.92, by adding a subdivision; and 103I.301, subdivisions 1 and 6; proposing coding for new law in Minnesota Statutes, chapters 103A and 103I.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1991 Supplement, section 16B.92, is amended by adding a subdivision to read:

Subd. 1a. [STATEWIDE NITRATE DATA BASE.] The commissioner, through the center, shall maintain a statewide nitrate data base containing the data described in section 2.

Sec. 2. [103A.403] [STATEWIDE NITRATE DATA.]

The environmental quality board shall ensure that all available data regarding the presence of nitrates in groundwater in the state that meet the standards established by the nitrate data task force are integrated into the Minnesota land management information center's statewide nitrate data base according to published data compatibility guidelines. Costs of integrating the data in accordance with data compatibility standards must be borne by the agency generating the data or, if the data are not generated by an entity that receives direct state appropriations in the current fiscal year, by the environmental quality board.

Sec. 3. Minnesota Statutes 1991 Supplement, section 103I.222, is amended to read:

103I.222 [USE OF POLYVINYL CHLORIDE.]

The department shall adopt emergency rules within six months, and permanent rules within one year, of May 25, 1991, designed to allow use of flush threaded polyvinyl chloride casing and screens used for leak detection and monitoring wells at underground or aboveground petroleum storage tank sites and agricultural chemical incident sites.

Sec. 4. Minnesota Statutes 1991 Supplement, section 103I.235, is amended to read:

Subdivision 1. [DISCLOSURE OF WELLS TO BUYER.] (a) Before signing an agreement to sell or transfer real property, the seller must disclose in writing to the buyer information about the status and location of all known wells on the property, by delivering to the buyer either a statement by the seller that the seller does not know of any wells on the property, or a disclosure statement indicating the legal description and county, and a map drawn from available information showing the location of each well to the extent practicable. In the disclosure statement, the seller must indicate, for each well, whether the well is in use, not in use, or sealed.

(b) At the time of closing of the sale, the disclosure statement information, name and mailing address of the buyer, and the quartile, section, township, and range in which each well is located must be provided on a well disclosure certificate signed by the seller or a person authorized to act on behalf of the seller.

(c) A well disclosure certificate need not be provided if the seller does not know of any wells on the property and the deed or other instrument of conveyance contains the statement: "The Seller certifies that the Seller does not know of any wells on the described real property."

(d) If a deed is given pursuant to a contract for deed, the well disclosure certificate required by this subdivision shall be signed by the buyer or a person authorized to act on behalf of the buyer. If the buyer knows of no wells on the property, a well disclosure certificate is not required if the following statement appears on the deed followed by the signature of the grantee or, if there is more than one grantee, the signature of at least one of the grantees: "The Grantee certifies that the Grantee does not know of any wells on the described real property." The statement and signature of the grantee may be on the front or back of the deed or on an attached sheet and an acknowledgment of the statement by the grantee is not required for the deed to be recordable.

(e) This subdivision does not apply to the sale, exchange, or transfer of real property:

(1) that consists solely of a sale or transfer of severed mineral interests; or

(2) that consists of an individual condominium unit as described in chapters 515 and 515A.

(f) For an area owned in common under chapter 515 or 515A the association or other responsible person must report to the commissioner by July 1, 1992, the location and status of all wells in the common area. The association or other responsible person must notify the commissioner within 30 days of any change in the reported status of wells.

(g) For real property sold by the state under section 92.67, the lessee at the time of the sale is responsible for compliance with this subdivision.

(h) If the seller fails to provide a required well disclosure certificate, the buyer, or a person authorized to act on behalf of the buyer, may sign a well disclosure certificate based on the information provided on the disclosure statement required by this section or based on other available information.

(i) A county recorder or registrar of titles may not record a deed or other instrument of conveyance dated after October 31, 1990, for which a certificate of value is required under section 272.115, or any deed or other instrument of conveyance dated after October 31, 1990, from a governmental body exempt from the payment of state deed tax, unless the deed or other instrument of conveyance contains the statement made in accordance with paragraph (c) or (d) or is accompanied by the well disclosure certificate containing all the information required by paragraph (b) or (d). The county recorder or registrar of titles must not accept a certificate unless it contains all the required information. The county recorder or registrar of titles shall note on each deed or other instrument of conveyance accompanied by a well disclosure certificate that the well disclosure certificate was received. The notation must include the statement "No wells on property" if the disclosure certificate states there are no wells on the property. The well disclosure certificate shall not be filed or recorded in the records maintained by the county recorder or registrar of titles. After noting "No wells on property" on the deed or other instrument of conveyance, the county recorder or registrar of titles shall destroy or return to the buyer the well disclosure certificate. The county recorder or registrar of titles shall collect from the buyer or the person seeking to record a deed or other instrument of conveyance, a fee of \$10 for receipt of a completed well disclosure certificate for filing. By the tenth day of each month, the county recorder or registrar of titles shall transmit the well disclosure certificates to the commissioner of health. By the tenth day after the end of each calendar quarter, the county recorder or registrar of titles shall transmit to the commissioner of health \$7.50 of the fee for each well disclosure certificate received during the quarter. The commissioner shall maintain the well disclosure certificate for at least six years. The commissioner may store the

certificate as an electronic image. A copy of that image shall be as valid as the original.

(j) No new well disclosure certificate is required on property unless under this subdivision if the buyer or seller, or a person authorized to act on behalf of the buyer or seller, certifies on the deed or other instrument of conveyance that the status or numbers and number of wells on the property has have not changed from since the last previously filed well disclosure certificate. The following statement, if followed by the signature of the person making the statement, is sufficient to comply with the certification requirement of this paragraph: "I am familiar with the property described in this instrument and I certify that the status and number of wells on the described real property have not changed since the last previously filed well disclosure certificate." The certification and signature may be on the front or back of the deed or on an attached sheet and an acknowledgment of the statement is not required for the deed or other instrument of conveyance to be recordable.

(k) The commissioner in consultation with county recorders shall prescribe the form for a well disclosure certificate and provide well disclosure certificate forms to county recorders and registrars of titles and other interested persons.

(l) Failure to comply with a requirement of this subdivision does not impair:

(1) the validity of a deed or other instrument of conveyance as between the parties to the deed or instrument or as to any other person who otherwise would be bound by the deed or instrument; or

(2) the record, as notice, of any deed or other instrument of conveyance accepted for filing or recording contrary to the provisions of this subdivision.

Sec. 5. Minnesota Statutes 1991 Supplement, section 103I.301, subdivision 1, is amended to read:

Subdivision 1. [WELLS AND BORINGS.] (a) A property owner must have a well or boring sealed if:

(1) the well or boring is contaminated or may contribute to the spread of contamination;

(2) the well or boring was attempted to be sealed but was not sealed according to the provisions of this chapter; or

(3) the well or boring is located, constructed, or maintained in a manner that its continued use or existence endangers groundwater quality or is a safety or health hazard.

(b) A well that is not in use must be sealed unless the property owner has a maintenance permit for the well.

(c) ~~The property owner must have a well contractor or limited well sealing contractor seal a well or boring sealed by a registered or licensed person authorized to seal the well or boring, consistent with provisions of this chapter.~~

Sec. 6. Minnesota Statutes 1990, section 103I.301, subdivision 4, is amended to read:

Subd. 4. [SEALING PROCEDURES.] Wells, ~~monitoring wells, and dewatering wells and borings~~ must be sealed according to rules adopted by the commissioner.

Sec. 7. Minnesota Statutes 1990, section 103I.315, is amended to read:

103I.315 [ORDERS TO SEAL WELLS AND BORINGS.]

Subdivision 1. [ORDER TO SEAL WELL OR BORING.] The commissioner may order a property owner to seal a well or boring if:

(1) the commissioner determines that without being sealed the well or boring is an imminent threat to public health or public safety;

(2) the well or boring is required to be sealed under section 103I.301; or

(3) a well is a monitoring well or dewatering well and by 14 months after construction of the well, the owner has not obtained a maintenance permit, or after a maintenance permit has been issued the owner has not renewed a maintenance permit.

Subd. 2. [FAILURE OF OWNER TO SEAL WELL OR BORING.] If the property owner fails to seal a well or boring in the time provided in the commissioner's order, or if the commissioner is unable to identify or locate the property owner, the commissioner may enter the property and have the well or boring sealed. The property owner is liable for and must pay the costs of sealing the well or boring.

Sec. 8. Minnesota Statutes 1990, section 103I.341, subdivision 1, is amended to read:

Subdivision 1. [LIEN FOR SEALING COSTS.] The commissioner and the board of water and soil resources have a governmental services lien under section 514.67 for the costs of sealing a well or boring that the commissioner or board has contracted to be sealed



under section 103I.315, subdivision 2; 103I.331; or 103I.335. The lien attaches to the real property where the well or boring is located. The lien is perfected by filing the lien with the county recorder or registrar of titles where the well or boring and the property are located and serving or mailing by return receipt a copy of the lien to the property owner.

Sec. 9. Minnesota Statutes 1990, section 103I.341, subdivision 5, is amended to read:

Subd. 5. [APPROPRIATION OF RECOVERED COSTS.] Costs of sealing wells recovered from property owners shall by the board of water and soil resources must be deposited in the state treasury and credited to the account from which the amounts were originally appropriated. The amounts recovered by the board of water and soil resources are continuously appropriated to the board for sealing wells.

Sec. 10. [103I.345] [WELL SEALING ACCOUNT.]

Subdivision 1. [REVENUE SOURCES.] Revenue from the following sources must be deposited in the state treasury and credited to a special account:

(1) all money recovered by the commissioner under section 103I.341;

(2) all money paid under section 103I.705 or under any agreement, stipulation, or settlement resolving an enforcement action brought by the commissioner;

(3) all interest attributable to investment of money credited to the account; and

(4) all money received in the form of gifts, grants, reimbursements, or appropriations from any source intended to be used for the purposes of the account.

Subd. 2. [EXPENDITURES.] (a) Subject to appropriation by law, money in the account established under subdivision 1 may be used by the commissioner for sealing wells and borings.

(b) In spending money under this subdivision, the commissioner shall give priority to the sealing by July 1, 1997, of all multi-aquifer wells and borings entering the Mt. Simon-Hinckley aquifer that the commissioner has authority to seal under section 103I.315, subdivision 2.

Sec. 11. [REPORT ON CLEANUP POLICIES; COSTS; AND ENVIRONMENTAL CONSULTING SERVICES.]

(a) The commissioners of commerce and agriculture, in consultation with the commissioners of the pollution control agency and finance, the attorney general, and appropriate professional organizations, shall prepare a report on procedures for evaluating the severity of spills, procedures for evaluating appropriate cleanup methods, procedures for evaluating economic and environmental cost-benefit ratios, and the role and cost of environmental consulting services for which reimbursement has been paid under Minnesota Statutes, sections 18E.04 and 115C.09. The report must include:

(1) a description of the services provided by environmental consulting services and the qualifications of the persons providing the services;

(2) an evaluation of the reasonableness of the fees charged for the environmental consulting services;

(3) recommendations on ways to ensure that environmental consulting services for which reimbursement is paid by the state are cost-effective and of a minimum acceptable level of quality;

(4) recommendations on methods to streamline the approval process for cleanup after an incident has been reported; and

(5) circumstances under which it is appropriate to recommend the employment of an environmental consulting service.

(b) The report must be submitted to the legislative water commission by February 15, 1993.

## Sec. 12. [APPROPRIATION.]

\$...... is appropriated from the ..... fund to the commissioner of health for transfer to the well sealing account established in section 10."

Renumber the sections in sequence

Correct internal references

Delete the title and insert:

"A bill for an act relating to water; requiring maintenance of a statewide nitrate data base; modifying requirements relating to well disclosure certificates and sealing of wells; establishing a well sealing account; requiring a report on environmental consulting services; appropriating money; amending Minnesota Statutes 1990, sections 103L301, subdivision 4; 103L315; and 103L341, subdivisions 1 and 5; Minnesota Statutes 1991 Supplement, sections

16B.92, by adding a subdivision; 103I.222; 103I.235; and 103I.301, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 103A and 103I."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2746, A bill for an act relating to waters; authorizing agreements by soil and water conservation districts for enforcement of city or county controls; amending Minnesota Statutes 1990, section 103C.331, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1990, section 103C.331, is amended by adding a subdivision to read:

Subd. 19. [ADMINISTRATION OF OFFICIAL CONTROLS.] A district may, under a joint powers agreement under section 471.59, accept delegation from a county or city of authority to administer soil and water conservation-related official controls, as defined in section 103B.305, subdivision 7, of the county or city as specified in the agreement. The agreement must include provisions requiring that:

(1) all costs incurred by the district in administering the controls will be reimbursed by the county or city;

(2) the district will provide notice and hearing in the same instances that the county or city would; and

(3) the county or city will provide legal advice and support when requested by the district for administration and enforcement."

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2855, A bill for an act relating to agriculture; regulating aquatic farming; protecting certain wildlife populations; imposing civil penalties; amending Minnesota Statutes 1990, sections 97C.203; 97C.211, subdivision 1; 97C.301, by adding a subdivision; 97C.345, subdivision 4; 97C.391; 97C.505, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 17; repealing Minnesota Statutes 1990, section 97C.209.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [17.4981] [GENERAL CONDITIONS FOR REGULATION OF AQUATIC FARMS.]

Aquatic farms are licensed to culture private aquatic life. Cultured aquatic life is not wildlife. Aquatic farms must be licensed and given classifications to prevent or minimize impacts on natural resources. The purpose of sections 1 to 15 is to:

- (1) prevent public aquatic life from entering an aquatic farm;
- (2) prevent release of nonindigenous or exotic species into public waters without approval of the commissioner;
- (3) protect against release of disease pathogens to public waters;
- (4) protect existing natural aquatic habitats and the wildlife dependent on them; and
- (5) protect private aquatic life from unauthorized taking or harvest.

Private aquatic life that is legally acquired and possessed is an article of interstate commerce and may be restricted only as necessary to protect state fish and water resources.

Sec. 2. [17.4982] [DEFINITIONS.]

Subdivision 1. [SCOPE.] The definitions in this section apply to sections 1 to 15.

Subd. 2. [APPROVED LABORATORY METHODS.] “Approved laboratory methods” means methods described in the latest edition of the “Procedures for the Detection and Identification of Certain

Fish Pathogens” published by the American Fisheries Society Fish Health Section known as the Fish Health Blue Book.

Subd. 3. [AQUARIUM FACILITIES.] “Aquarium facilities” means facilities that rear or hold private aquatic life for sale for aquarium or display purposes.

Subd. 4. [AQUATIC FARM.] “Aquatic farm” means a licensed facility used for hatching, raising, rearing, and culturing private aquatic life in waters and preparing aquatic life for sale, including, but not limited to, ponds, vats, tanks, raceways, and other indoor or outdoor facilities that an aquatic farmer owns or waters of which an aquatic farmer has the use.

Subd. 5. [AQUATIC LIFE.] “Aquatic life” has the meaning given to “private aquatic life” in section 17.47, subdivision 7, and for purposes of commercial transactions, aquatic life is livestock.

Subd. 6. [CERTIFIABLE DISEASES.] “Certifiable diseases” include channel catfish virus, bacterial kidney disease, bacterial furunculosis, enteric redmouth disease, enteric septicemia of catfish, infectious hematopoietic necrosis virus, infectious pancreatic necrosis virus, whirling disease, proliferative kidney disease, viral hemorrhagic septicemia virus, epizootic epitheliotropic virus, ceratomyxosis, and any emergency disease.

Subd. 7. [COMMISSIONER.] “Commissioner” means the commissioner of natural resources.

Subd. 8. [CONTAINMENT FACILITY.] “Containment facility” means a licensed facility for salmonids or catfish that complies with clauses (1), (3), and (4), or clauses (2), (3), and (4):

(1) disinfects its effluent to the standards in section 9 before the effluent is discharged to public waters, if the facility contains catfish and discharges into or upstream of waters containing catfish or if the facility contains salmonids and discharges into or upstream of waters containing salmonids;

(2) does not discharge to public waters or to waters of the state directly connected to public waters;

(3) raises aquatic life for food consumption only;

(4) contains aquatic life requiring a fish health inspection prior to transportation.

Subd. 9. [EMERGENCY FISH DISEASE.] “Emergency fish disease” means designated fish diseases not already present in this state that could impact populations of aquatic life if inadvertently

released by infected aquatic life, including channel catfish virus, viral hemorrhagic septicemia virus, infectious hematopoietic necrosis virus, infectious pancreatic necrosis virus, whirling disease, ceratomyxosis, proliferative kidney disease, and epizootic epitheliotropic virus disease or any other disease listed in a rule or published by the commissioner in the State Register on an emergency basis to be effective for not more than 240 days.

Subd. 10. [ENZOOTIC.] “Enzootic” means a disease that is known to occur within well-defined geographic boundaries.

Subd. 11. [FISH HEALTH BLUE BOOK.] “Fish Health Blue Book” means the standardized set of procedures and guidelines established and published by the American Fisheries Society Fish Health Section for the detection and isolation of fish pathogens.

Subd. 12. [FISH HEALTH INSPECTION.] “Fish health inspection” means an on-site, statistically based sampling in accordance with processes in the Fish Health Blue Book for all lots of fish in a facility. The inspection must include at least viral testing of ovarian fluids at the 95 percent confidence level of detecting two percent incidence of disease (ovarian fluids must be sampled for certification of viral hemorrhagic septicemia and infectious hematopoietic necrosis). Bacterial diseases must be sampled at the 95 percent confidence level with a five percent incidence of disease. The inspection must be performed by a fish health inspector in cooperation with the producer with subsequent examination of the collected tissues and fluids for the detection of certifiable diseases.

Subd. 13. [FISH HEALTH INSPECTOR.] “Fish health inspector” means an individual certified as a fish health inspector by the American Fisheries Society or state, federal, or provincial resource management agency, except that a certification may not be made by an inspector who has a conflict of interest in connection with the outcome of the certification.

Subd. 14. [GAME FISH.] “Game fish” has the meaning given in section 97A.015, subdivision 25, except that green or orange spotted sunfish are not game fish for purposes of determining fish of significant public value.

Subd. 15. [INTENSIVE CULTURE.] “Intensive culture” means the rearing of fish at densities greater than can be supported in the natural environment.

Subd. 16. [LICENSED FACILITY.] “Licensed facility” means a licensed aquatic farm, including all licensed waters.

Subd. 17. [LOT.] “Lot” means a group of fish of the same species and age that originated from the same discrete spawning population

and that always have shared a common water supply. Various age groups of adult brood stock of the same species may comprise the same lot if they have shared the same containers for one brood cycle.

Subd. 18. [MINNOWS.] "Minnows" has the meaning given in section 97A.015, subdivision 29, except the 12-inch restriction on sucker minnows does not apply.

Subd. 19. [PUBLIC WATERS.] "Public waters" has the meaning given in section 103G.005, subdivision 15.

Subd. 20. [QUARANTINE FACILITY.] "Quarantine facility" means a culture system that is enclosed in a building and is separated from other fish culture facilities where fish can be isolated and maintained while preventing their introduction and pathogen introduction into the environment.

Subd. 21. [STANDARD FACILITY.] "Standard facility" means a licensed facility with a continual or intermittent discharge of effluent to public waters.

Subd. 22. [WATERS OF THE STATE.] "Waters of the state" has the meaning given in section 103G.005, subdivision 17.

**Sec. 3. [17.4983] [AQUATIC FARM OPERATIONS.]**

Subdivision 1. [ACQUISITION AND SALE OF PRIVATE AQUATIC LIFE.] Aquatic life legally possessed may be bought, acquired, and sold by licensed facilities as provided in sections 1 to 15.

Subd. 2. [ACQUISITION FROM STATE.] (a) The commissioner may sell aquatic life to licensed facilities at fair market value. Fair market value must be determined by the average market price charged in this state and contiguous states and provinces for similar quantities.

(b) The commissioner shall establish procedures to make aquatic life available to licensed facilities if state aquatic life would otherwise die or go to waste, such as in cases of winterkill lakes, waters where piscicides will be applied, and waters subject to extreme draw-down. The public must be given angling opportunities if public access is available.

(c) The commissioner shall attempt to provide opportunities to make brood stock available to licensed facilities to reduce reliance on out-of-state sources without causing adverse impacts to game fish populations.

(d) If the commissioner denies approval to obtain aquatic life

outside the state, a written notice must be submitted to the applicant stating the reasons for denial, and the commissioner shall:

(1) designate approved sources if available to obtain the desired aquatic life; or

(2) sell the aquatic life from state hatcheries at fair market value if there is a surplus from state operations.

Subd. 3. [METHODS TO HARVEST AQUATIC LIFE.] Licensed facilities may use all reasonable methods to operate and harvest aquatic life from licensed facilities, including available nets.

Subd. 4. [DISCHARGE MAY REQUIRE PERMIT.] The discharge from an aquatic farm must comply with discharge permits required by the Minnesota pollution control agency.

Subd. 5. [OWNERSHIP OF AQUATIC LIFE.] (a) Notwithstanding other provisions of law, aquatic life lawfully acquired and possessed by a licensed facility is private aquatic life and property of the owner of the licensed facility.

(b) The state may not seize or otherwise confiscate private aquatic life without due process of law, except that private aquatic life in public waters may become property of the state if the waters are not part of a licensed facility. The commissioner shall notify the licensee that the aquatic life in a facility that is no longer licensed will become property of the state if the aquatic life is not removed. If the licensee does not respond in writing within 30 days after receiving the notice and make alternative arrangements, or does not remove the aquatic life by 60 ice-free days after receiving the notice, the private aquatic life becomes property of the state.

(c) Private aquatic life that is transferred to the state or released into public waters that are not part of a licensed facility is owned by the state and may be considered wildlife.

Subd. 6. [CONTROL OF LICENSED WATERS.] (a) If the public cannot legally access waters of the state that are part of a licensed aquatic farm except by permission of the licensee, the use of the waters by the public is subject to restriction by the licensee.

(b) Waters of the state may not be licensed for aquaculture use to more than one licensee.

Subd. 7. [ANGLING IN LICENSED WATERS.] A person may not take fish by angling from waters subject to subdivision 6 unless the person has written permission from the licensee and:

(1) has an invoice when in possession of fish; or



(2) takes fish under an angling license, subject to the limits and conditions in the game and fish laws.

Sec. 4. [17.4984] [AQUATIC FARM LICENSE.]

Subdivision 1. [LICENSE REQUIRED.] (a) A person or entity may not operate an aquatic farm without first obtaining an aquatic farm license from the commissioner.

(b) Applications for an aquatic farm license must be made on forms provided by the commissioner.

(c) Licenses are valid for five years and are transferable upon notification to the commissioner.

(d) The commissioner shall issue an aquatic farm license on payment of the required license fee under section 8.

(e) A license issued by the commissioner is not a determination of private property rights, but is only based on a determination that the licensee does not have a significant detrimental impact on the public resource.

Subd. 2. [LISTED WATERS.] (a) An aquatic farm license must list:

(1) the specific waters of the state that may be used in connection with the licensed aquatic farm and the species approved for each licensed water;

(2) whether aeration requiring a permit is approved; and

(3) whether piscicide use is approved.

Additional waters may not be used until they are approved by the commissioner.

(b) The right to use waters licensed for private fish hatchery or aquatic farm purposes may be transferred between licensees with prior approval by the commissioner if requirements for species to be raised are met. Waters that are continually connected by a permanent watercourse to other waters must not be approved for aquatic farm use, except that connected waters that are isolated from other waters may be licensed as a single water body. Waters that are intermittently connected or may become connected with other waters may be denied, or screening or other measures may be required to prevent passage of aquatic life. Listed waters may be changed on approval by the area fisheries supervisor or the commissioner.

(c) The commissioner shall conduct an inspection of waters to be licensed prior to approving or denying initial licensing of the waters.

(d) Waters containing game fish of significant public value may be denied licensing unless the applicant can demonstrate exclusive riparian control.

(e) Waters containing game fish of significant public value may be denied licensing unless the game fish of significant public value are sold to the licensee, removed for other state use by the department of natural resources, or disposed of as provided in writing by the commissioner.

(f) Waters licensed under an aquatic farm license may be aerated during open water periods without a separate aeration permit.

Subd. 3. [LISTED SPECIES.] (a) An aquatic farm license must list the species of aquatic life appropriate for the classification of the waters. Listed species of aquatic life may be changed on written request to and approval by the area fisheries supervisor. Species of aquatic life regulated under chapter 97A, 97B, or 97C may not be cultured unless listed on the license.

(b) All waters licensed before July 1, 1992, under a private fish farm or fish hatchery license must be approved for species listed under current licenses if other conditions for licensing are met.

(c) If licensed waters are located within a 25-year floodplain and are not enclosed within a building, species of aquatic life may be licensed at the discretion of the commissioner.

(d) Licensed waters located outside of a 25-year floodplain or enclosed within a building may be licensed for any species, except that the commissioner may deny licensing for species not present in the state.

Subd. 4. [SINGLE LICENSE FOR AQUATIC FARMING OPERATION.] The commissioner shall issue a single license for aquatic farming, with the following information and endorsements:

(1) waters covered by the license;

(2) classification of each of the licensed waters;

(3) aeration endorsement for each licensed water where the licensee has exclusive control of riparian access or where the conditions for an aeration permit have been met; and

(4) endorsements requested by the licensee.

Subd. 5. [STATE LIST OF WATERS.] If the state uses waters of the state for aquatic farming, the state shall acquire legal access to the waters and make documentation of the access available to the public.

Subd. 6. [INSPECTIONS AND ENFORCEMENT.] (a) The premises, property, vehicles, private aquatic life, and equipment where private aquatic farm operations are being conducted are subject to an annual operations inspection and other reasonable and necessary inspections at reasonable times by conservation officers. The reason for the inspection must be provided in writing upon request. The owner, operator, or designee may be present when inspections are conducted.

(b) Conservation officers may enforce sections 1 to 15 under section 97A.205.

Subd. 7. [NONPUBLIC RECORDS.] (a) Licensees must keep complete, up-to-date, nonpublic records of the operation of the aquatic farm. The records must be kept for at least three years.

(b) The records must be in English and include the following information:

(1) for each species acquired, the number and pounds of fish or eggs acquired, names and addresses of the sources from which acquired, and the dates of receipt;

(2) for each species sold or disposed of, the number and pounds of fish sold or disposed of, the names and addresses of the purchasers or persons to whom the conveyances are made, and the dates of sale; and

(3) for fish sperm or viable eggs, the amount acquired or sold, the names and addresses of the sources from which acquired, the purchasers to whom conveyed, and the dates of purchase or sale;

(c) On or before March 1 of each year, the licensee shall submit a complete annual report on a form furnished by the commissioner, covering the quantity of all species sold or purchased in the preceding licensed year.

(d) An aquatic farmer shall maintain records for reasonable inspection by the commissioner. Information on aquatic life production, harvest, and sales is nonpublic information.

Sec. 5. [17.4985] [TRANSPORTATION OF AQUATIC LIFE.]

Subdivision 1. [REQUIREMENTS FOR IMPORTATION, TRANSPORTATION WITHIN THE STATE, OR STOCKING OF FISH.]

Except as provided in subdivision 3, a licensee may not import aquatic life into the state, transport aquatic life within the state, or stock waters of the state with aquatic life without first obtaining a bill of lading or transportation permit from the commissioner, with disease certification, if applicable.

Subd. 2. [BILL OF LADING.] (a) A person may transport aquatic life except salmonids or catfish with a completed bill of lading for:

(1) intrastate transportation of aquatic life between licensed private fish hatcheries, aquatic farms, or aquarium facilities licensed for the same species and of the proper classification for the aquatic life; and

(2) stocking of waters other than public waters.

(b) When aquatic life is transported between licensed private fish hatcheries, aquatic farms, or aquarium facilities, a copy of the bill of lading must be submitted to the regional fisheries manager:

(1) at least 72 hours before the transportation if species transported into a watershed are not found in it, or have their original source outside Minnesota and contiguous states; or

(2) within 30 days in cases not covered by clause (1).

(c) A bill of lading is also required at least 72 hours before any transportation between licensed waters of the same licensee if species transported into a watershed are not found in it, or have their original source outside Minnesota and contiguous states.

(d) A copy of the bill of lading must be submitted to the regional fisheries manager 72 hours before transportation for stocking of fish into public waters, except that a bill of lading may be issued for transportation and stocking following telephone or telecopy confirmation that the waters to be stocked are not public waters.

(e) Bill of lading forms may only be issued by the department of natural resources in St. Paul, and new bill of lading forms may not be issued until all previously issued forms have been returned.

Subd. 3. [EXEMPTIONS FOR TRANSPORTATION PERMITS AND BILLS OF LADING.] (a) A bill of lading or transportation permit is not required by an aquatic farm licensee for importation, transportation, or export for the following:

(1) minnows taken under an aquatic farm license in this state and transported intrastate;

(2) aquarium or ornamental fish including tropical, subtropical, and saltwater species that cannot survive in the waters of the state, which may be imported or transported if accompanied by shipping documents;

(3) fish or fish eggs that have been processed for use as food, bait, or other purposes unrelated to fish propagation;

(4) live fish, except salmonids and catfish, from a licensed aquatic farm, which may be transported directly to an outlet for processing or for other food purposes if accompanied by shipping documents;

(5) fish being exported if accompanied by shipping documents;

(6) sucker eggs, sucker fry, or fathead minnows transported intrastate for bait propagation or feeding of cultural aquatic life;

(7) species of fish that are found within the state used in connection with public shows, exhibits, demonstrations, or fishing pools for periods not exceeding 14 days; or

(8) transfer of aquatic life between licensed waters of the same licensee, except where required in subdivision 2.

(b) Shipping documents required under paragraph (a) must show the place of origin, owner or consignee, destination, number, and species.

Subd. 4. [TRANSPORTATION PERMIT REQUIREMENTS.] A transportation permit is required for all importation, transportation, or stocking of private aquatic life not covered by subdivision 2 or exempted in subdivision 3. A transportation permit may be used for multiple shipments within the 30-day term for the permit if the source and the destination remains the same. Transportation permits, which may authorize importation or stocking of public waters, may be issued through department of natural resources regional offices or the St. Paul office, and must be obtained prior to shipment.

Subd. 5. [PERMIT APPLICATION.] An application for a transportation permit must be made on forms provided by the commissioner. An incomplete application must be rejected. An application for a transportation permit for salmonids and catfish, their eggs, or sperm must be accompanied by certification that the source of the eggs or sperm are free of certifiable diseases, except that eggs with enteric redmouth, whirling disease, or furunculosis may be imported, transported, or stocked following treatment approved by the commissioner, and fish with bacterial kidney disease may be imported, transported, or stocked into areas where the disease has been previously introduced. A copy of the transportation permit showing the date of certification inspection must accompany the shipment of

fish while in transit and must be available for inspection by the commissioner. By 14 days after a completed application is received, the commissioner must approve or deny the importation permits as provided in this section.

Subd. 6. [VEHICLE IDENTIFICATION.] (a) A vehicle used by a licensee for transporting aquatic life must be identified with the licensee's name and town of residence as it appears on the license and the license number.

(b) A vehicle used by a licensee must have identification displayed so that it is readily visible from either side of the vehicle in letters and numbers not less than 2-1/2 inches high and with a three-eighths inch wide stroke. Identification may be permanently affixed to vehicles or displayed on removable plates or placards placed on opposite doors of the vehicle or on the tanks carried on the vehicle.

(c) An application to license a vehicle for minnow transport or export or for use as a fish vendor that is received by the commissioner is a temporary license until it is approved or denied.

#### Sec. 6. [17.4986] [IMPORTATION OF AQUATIC LIFE.]

Subdivision 1. [IMPORTATION AND STOCKING RESTRICTIONS.] A person may not import fish into or stock fish in the state without first obtaining a transportation permit with a disease certification when required or a bill of lading from the commissioner, unless the person is exempted.

Subd. 2. [LICENSED FACILITIES.] (a) The commissioner shall issue transportation permits to import:

(1) indigenous and naturalized species except trout, salmon, and catfish from any source to a standard facility;

(2) trout, salmon, and catfish from a nonemergency disease area to a containment facility if the fish are certified within the previous year to be free of certifiable diseases, except that eggs with enteric redmouth, whirling disease, or furunculosis may be imported following treatment approved by the commissioner, and fish with bacterial kidney disease may be imported into areas where the disease has been previously introduced; and

(3) trout, salmon, and catfish from a facility in a nonemergency disease area with a disease-free history of three years or more to a standard facility, except that eggs with enteric redmouth, whirling disease, or furunculosis may be imported following treatment approved by the commissioner, and fish with bacterial kidney disease may be imported into areas where the disease has been previously introduced.

(b) If a source facility in an emergency disease area cannot demonstrate a history free from disease, aquatic life may only be imported into a quarantine facility.

Subd. 3. [ENZOOTIC DISEASE AREA.] (a) Except as otherwise provided and except that eggs with enteric redmouth, whirling disease, or furunculosis may be imported following treatment approved by the commissioner, and fish with bacterial kidney disease may be imported into areas where the disease has been previously introduced, fish may be imported from emergency disease enzootic areas only as fertilized eggs under the following conditions:

(1) to be imported into a standard facility, fertilized eggs must have a disease-free history for at least five years;

(2) to be imported into a containment facility, fertilized eggs must have a disease-free history for at least three years; or

(3) to be imported into a quarantine facility, fertilized eggs may have a disease-free history of less than three years.

(b) A hatchery inspection must occur at least once a year and fish must have been tested for all certifiable diseases. Fish health inspections under this subdivision must comply with section 2, subdivision 12.

Sec. 7. [17.4987] [STOCKING PRIVATE AQUATIC LIFE.]

(a) A person may not release private aquatic life into public waters that are not licensed as part of an aquatic farm without first obtaining a transportation permit from the commissioner. The commissioner may deny issuance of a permit if releasing the private aquatic life is not consistent with the management plan for the public waters. The commissioner shall make management plans available to the public.

(b) If a permit is denied, the commissioner must provide reasons for the denial in writing.

Sec. 8. [17.4988] [LICENSE AND INSPECTION FEES.]

Subdivision 1. [REQUIREMENTS FOR ISSUANCE.] A permit or license must be issued by the commissioner if the requirements of law are met and the license and permit fees specified in this section are paid.

Subd. 2. [AQUATIC FARMING LICENSE.] (a) The annual fee for an aquatic farming license is \$275.

(b) The aquatic farming license must contain endorsements for the rights and privileges of the following licenses under the game and fish laws. The endorsement must be made upon payment of the license fee prescribed in section 97A.475 for the following licenses:

(1) minnow dealer license;

(2) minnow retailer license for sale of minnows as bait;

(3) minnow exporting license;

(4) minnow dealer helper license;

(5) aquatic farm vehicle endorsement, which includes a minnow dealer vehicle license, a minnow retailer vehicle license, an exporting minnow hauler vehicle license, and a fish vendor vehicle license;

(6) sucker egg taking license; and

(7) game fish packers license.

Subd. 3. [INSPECTION FEES.] The fees for the following inspections are:

(1) initial inspection of each water to be licensed, \$50;

(2) fish health inspection and certification, \$20 plus \$80 per lot thereafter; and

(3) initial inspection for containment and quarantine facility inspections, \$50.

Subd. 4. [AQUARIUM FACILITY.] (a) A person may not operate an aquarium facility without an aquarium facility license issued by the commissioner. The fee for an aquarium facility license is \$15.

(b) Game fish transferred by an aquarium facility must be accompanied by a receipt containing the information required on a shipping document by section 5, subdivision 3, paragraph (b).

Sec. 9. [17.4991] [DISEASE TRANSMISSION.]

Subdivision 1. [FACILITY DESIGNATION.] (a) The licensee may apply to the commissioner for designation of all or a portion of a facility as a standard, containment, or quarantine facility on forms prescribed by the commissioner as part of the license application or separately.



(b) By 15 business days after an application is submitted, the commissioner must notify the applicant if there are any deficiencies in the application. By 30 business days after a complete application is submitted, the commissioner shall approve or deny the designation requested. A denial must include an assessment of the actual risk to wildlife populations at the particular site. A containment designation must be approved if the facility meets the disinfection requirements of subdivision 2 and complies with section 2, subdivision 8.

Subd. 2. [DISINFECTION.] (a) Containment facilities must disinfect effluent prior to discharge to public waters. The effluent required to be disinfected includes water used by a containment facility in the production of the aquatic life of concern, waste or mortalities from the aquatic life of concern, and live forage or commercial feed discarded from the containment facility. Runoff from precipitation and excess water from natural springs, wells, or other sources that is not used in the production of aquatic life is not effluent to be disinfected.

(b) The disinfection must minimize the potential release of disease pathogens to wildlife susceptible to the pathogens based on a reasonable risk assessment. Disinfection treatment processes may include chlorination or other processes. If chlorine disinfection is utilized, a measurable residual level of 1.0 parts per million of active chlorine in the effluent must be maintained for one hour of retention time. The effluent must be sufficiently dechlorinated to prevent toxic adverse impacts to wildlife after discharge to public waters.

(c) A disinfection treatment process must ensure uninterrupted effluent treatment in the event of electrical power failure, a primary system failure, or other similar events that would cause treatment interruptions.

(d) The effluent disinfection process must be sited, designed, and operated in a manner that allows inspection by the commissioner at all times to determine whether adequate effluent disinfection is maintained.

(e) The commissioner may prescribe reasonable documentation of daily monitoring of treatment system performance to be included in the licensee's annual report. The records must be available for daily inspection by the commissioner during normal business hours and maintained for three years.

Subd. 3. [FISH HEALTH INSPECTION.] (a) An aquatic farm propagating trout, salmon, or catfish and having an effluent discharge from the aquatic farm into public waters must have an annual fish health inspection conducted by a certified fish health inspector. Testing must be conducted according to approved laboratory methods.

(b) A health inspection fee must be charged based on each lot of fish sampled. The fee by check or money order payable to the department of natural resources must be prepaid or paid at the time a bill or notice is received from the commissioner that the inspection and processing of samples is completed.

(c) Upon receipt of payment and completion of inspection, the commissioner shall notify the operator and issue a fish health certificate. The certification must be made according to the Fish Health Blue Book by a person certified as a fish health inspector.

(d) All aquatic life in transit or held at transfer stations within the state may be inspected by the commissioner. This inspection may include the collection of stock for purposes of pathological analysis. Sample size necessary for analysis will follow guidelines listed in the Fish Health Blue Book.

Subd. 4. [EMERGENCY DISEASE DETERMINATION.] If emergency diseases exist, the commissioner may order the fish in the facility to be impounded, confiscated, sold, or destroyed and the facility disinfected. The commissioner shall make every effort to allow disposed fish to be sold for market if there is no imminent danger of a significant adverse impact on natural fish populations or human health or of escape of the pathogen to public waters.

#### Sec. 10. [17.4992] [GAME FISH.]

Subdivision 1. [ACQUISITION AND PURCHASE.] Game fish sperm, viable game fish eggs, or live game fish may not be taken from public waters for aquaculture purposes, but may be purchased from the state or acquired from aquatic farms.

Subd. 2. [RESTRICTION ON THE SALE OF GAME FISH.] Species of the family salmonidae or ictaluridae, except bullheads, must be free of certifiable diseases if sold for stocking or transfer to another aquatic farm, except that eggs with enteric redmouth, whirling disease, or furunculosis may be transferred or stocked following treatment approved by the commissioner, and fish with bacterial kidney disease may be transferred or stocked to areas where the disease has been previously introduced.

Subd. 3. [ACQUISITION OF FISH FOR BROOD STOCK.] Game fish brood stock may be sold to private fish hatcheries or aquatic farms by the state at fair market value. As a one-time purchase for brood stock development, up to 20 pair of adults may be provided, if available, by the state through normal operations.

Subd. 4. [SALE OF EGGS BY THE STATE.] The commissioner may offer for sale as eggs or fry up to two percent of the department's

annual game fish egg harvest. Additional eggs or fry may be sold if they are surplus to this state's program needs.

Subd. 5. [PURCHASE OF EGGS DEPENDENT UPON FACILITY.] Licensees may purchase game fish eggs or fry from the state at a rate based on the capacity of their facility to hatch and rear fish. Licensees may purchase walleye at a rate of no more than one-half quart of eggs or 5,000 fry for each acre or fraction of licensed surface water. This limitation may be waived if an aquatic farm is an intensive culture facility. The allowable purchase of trout or salmon eggs must be based on the capacity of rearing tanks and flow of water through the aquatic farm facility.

Subd. 6. [STOCKING WALLEYES NORTH OF MARKED STATE HIGHWAY NO. 210.] Walleyes from outside of the area of the state north of marked state highway No. 210 may not be stocked in waters of the state north of marked state highway No. 210 without approval by the commissioner.

Sec. 11. [17.4993] [MINNOWS.]

Subdivision 1. [TAKING FROM PUBLIC WATERS.] A licensee may take minnow sperm, minnow eggs, and live minnows from public waters for aquatic farm purposes under an aquatic farm license.

Subd. 2. [IMPORTATION OF LIVE MINNOWS.] Minnows from outside the state may not be imported live by a licensee for purposes other than processing or feeding aquatic farm fish.

Sec. 12. [17.4994] [SUCKER EGGS.]

Sucker eggs may be taken from public waters with a sucker egg license endorsement, which authorizes sucker eggs to be taken at a rate of one quart of eggs for each 1-1/2 acres of licensed surface waters except that for intensive culture systems, sucker eggs may be taken at a rate of two quarts per 1,000 muskellunge fry being reared. The taking of sucker eggs from public waters is subject to chapter 97C and may be supervised by the commissioner.

Sec. 13. [17.4995] [RECEIPTS TO THE GAME AND FISH FUND.]

Money received by the state under sections 1 to 15 must be deposited in the state treasury and credited to the game and fish fund.

Sec. 14. [17.4996] [WHITE EARTH INDIAN RESERVATION.]

Until the commissioner reaches an agreement with the White

Earth Indian Reservation regarding the acquisition and sale of aquatic life from public waters, an aquatic farm licensee may acquire and transport rough fish, as defined in section 97A.015, subdivision 43, and yellow perch lawfully acquired and possessed by a tribal member for sale under tribal laws and regulations on the White Earth Reservation. Transportation of yellow perch off the reservation must be accompanied by documentation showing the source and number of the yellow perch.

Sec. 15. [17.4997] [RULES.]

The commissioner may adopt rules that are consistent with sections 1 to 14. The commissioner must notify the Minnesota aquaculture commission and the commissioner of agriculture prior to publication of the proposed rules.

Sec. 16. Minnesota Statutes 1990, section 97C.203, is amended to read:

97C.203 [DISPOSAL OF STATE HATCHERY EGGS OR FRY.]

(a) The commissioner shall dispose of game fish eggs and fry according to the following order of priorities:

(1) distribution of fish eggs and fry to state hatcheries to hatch fry or raise fingerlings for stocking waters of the state for recreational fishing;

(2) sale of fish eggs and fry to private fish hatcheries or licensed aquatic farms to hatch fry or raise fingerlings to stock waters of this state with fingerlings for recreational fishing at a price not less than the fair market value, established as the average price charged at the state's private hatcheries and contiguous states per volume rates; and

(3) sale at a price not less than the fair market value, established as the average price charged at the state's private hatcheries sources and contiguous states per volume rates of fish eggs and fry to private fish hatcheries and fish aquatic farms to hatch fry or raise fingerlings for sale.

(b) ~~Until July 1, 1990, the commissioner must make at least two percent of the game fish eggs collected available to private hatcheries.~~

Sec. 17. Minnesota Statutes 1990, section 97C.301, is amended by adding a subdivision to read:

Subd. 5. [AQUATIC FARMS.] An aquatic farm licensee may take aquatic life under the aquatic farm license and its endorsements as

authorized without additional licenses under the game and fish laws.

Sec. 18. Minnesota Statutes 1990, section 97C.345, subdivision 4, is amended to read:

Subd. 4. [EXCEPTIONS.] This section does not apply to:

- (1) nets used to take rainbow smelt during the open season;
- (2) nets used to land game fish taken by angling;
- (3) seines or traps used for the taking of minnows for bait; **and**
- (4) nets, seines, or traps possessed and used under an aquatic farm license; and
- (5) angling equipment.

Sec. 19. Minnesota Statutes 1990, section 97C.391, is amended to read:

97C.391 [BUYING AND SELLING FISH.]

Subdivision 1. [GENERAL RESTRICTIONS.] A person may not buy or sell fish taken from the waters of this state, except:

- (1) minnows;
- (2) rough fish excluding ciscoes;
- (3) fish taken under licensed commercial fishing operations;
- (4) ~~fish raised in a fish farm that are identified as prescribed by the commissioner that are private aquatic life; and~~
- (5) ~~fish raised in a private hatchery that are tagged or labeled or otherwise identified as prescribed by the commissioner; and~~
- (6) fish lawfully taken and subject to sale from other states and countries.

Subd. 2. [RESTRICTIONS ON CERTAIN GAME FISH.] Large-mouth bass, smallmouth bass, rock bass, muskellunge, and sunfish may ~~not~~ be bought or sold; ~~unless bought or sold by a private hatchery or fish aquatic farm to stock waters for recreational fishing, or as prescribed by the commissioner.~~

Sec. 20. Minnesota Statutes 1990, section 97C.505, subdivision 6, is amended to read:

Subd. 6. [APPROVED EQUIPMENT REQUIRED.] A person must use equipment approved by the commissioner to possess or transport minnows for sale. This subdivision does not apply to licensed aquatic farms.

Sec. 21. [REPEALER.]

Minnesota Statutes 1990, sections 97A.475, subdivision 29a; and 97C.209, are repealed.

Sec. 22. [1992 TRANSITION.]

A 1992 private fish hatchery or fish farm licensee may obtain an aquatic farm license by applying to the commissioner and paying the difference between the aquatic farm license with endorsements and the private fish hatchery or fish farm license and corresponding licenses under the game and fish laws.

Sec. 23. [EFFECTIVE DATE.]

This act is effective the day after final enactment, except section 21 is effective February 28, 1993."

Delete the title and insert:

"A bill for an act relating to agriculture; regulating aquatic farming; protecting certain wildlife populations; amending Minnesota Statutes 1990, sections 97C.203; 97C.301, by adding a subdivision; 97C.345, subdivision 4; 97C.391; and 97C.505, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 17; repealing Minnesota Statutes 1990, sections 97A.475, subdivision 29a; and 97C.209."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Ogren from the Committee on Taxes to which was referred:

H. F. No. 2884, A bill for an act relating to bond allocation; changing procedures for allocating bonding authority; amending Minnesota Statutes 1991 Supplement, sections 474A.03, subdivision 4; 474A.061, subdivision 1; and 474A.091, subdivisions 2 and 3.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1991 Supplement, section 462A.073, subdivision 1, is amended to read:

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

(b) "Existing housing" means single-family housing that (i) has been previously occupied prior to the first day of the origination period; or (ii) has been available for occupancy for at least 12 months but has not been previously occupied.

(c) "Metropolitan area" means the metropolitan area as defined in section 473.121, subdivision 2.

(d) "New housing" means single-family housing that has not been previously occupied.

(e) "Origination period" means the period that loans financed with the proceeds of qualified mortgage revenue bonds are available for the purchase of single-family housing. The origination period begins when financing actually becomes available to the borrowers for loans.

(f) "Redevelopment area" means a compact and contiguous area within which the ~~agency city~~ finds by resolution that 70 percent of the parcels are occupied by buildings, streets, utilities, or other improvements and more than 25 percent of the buildings, not including outbuildings, are structurally substandard to a degree requiring substantial renovation or clearance.

(g) "Single-family housing" means dwelling units eligible to be financed from the proceeds of qualified mortgage revenue bonds under federal law.

(h) "Structurally substandard" means containing defects in structural elements or a combination of deficiencies in essential utilities and facilities, light, ventilation, fire protection including adequate egress, layout and condition of interior partitions, or similar factors, which defects or deficiencies are of sufficient total significance to justify substantial renovation or clearance.

Sec. 2. Minnesota Statutes 1991 Supplement, section 474A.03, subdivision 4, is amended to read:

Subd. 4. [APPLICATION FEE.] Every entitlement issuer and other issuer shall pay to the commissioner a nonrefundable appli-

cation fee to offset the state cost of program administration. The application fee is ~~\$100~~ \$20 for each ~~\$500,000~~ \$100,000 of entitlement or allocation requested, with the request rounded to the nearest ~~\$500,000~~ \$100,000. The minimum fee is ~~\$100~~ \$20. Fees received by the commissioner must be credited to the general fund.

Sec. 3. Minnesota Statutes 1991 Supplement, section 474A.04, subdivision 1a, is amended to read:

Subd. 1a. [ENTITLEMENT RESERVATIONS; CARRYFORWARD; DEDUCTION.] Except as provided in Laws 1987, chapter 268, article 16, section 41, subdivision 2, paragraph (a), any amount returned by an entitlement issuer before the last Monday in July shall be reallocated through the housing pool. Any amount returned on or after the last Monday in July shall be reallocated through the unified pool. An amount returned after the last Monday in November shall be reallocated to the Minnesota housing finance agency. ~~Beginning with entitlement allocations received in 1987 under Minnesota Statutes 1986, section 474A.08, subdivision 1, paragraphs (2) and (3), there shall be deducted from an entitlement issuer's allocation for the subsequent year an amount equal to the entitlement allocation under which bonds are not issued, returned on or before the last Monday in December, or carried forward under federal tax law. Except for the Minnesota housing finance agency, any amount of bonding authority that an entitlement issuer carries forward under federal tax law that is not permanently issued by the end of the succeeding calendar year shall be deducted from the entitlement allocation for that entitlement issuer for the next succeeding calendar year. Any amount deducted from an entitlement issuer's allocation under this subdivision shall be divided equally for allocation through the manufacturing pool and the housing pool.~~

Sec. 4. Minnesota Statutes 1991 Supplement, section 474A.061, subdivision 1, is amended to read:

Subdivision 1. [APPLICATION.] (a) An issuer may apply for an allocation under this section by submitting to the department an application on forms provided by the department, accompanied by (1) a preliminary resolution, (2) a statement of bond counsel that the proposed issue of obligations requires an allocation under this chapter, (3) the type of qualified bonds to be issued, (4) an application deposit in the amount of one percent of the requested allocation before the last Monday in July, or in the amount of two percent of the requested allocation on or after the last Monday in July, and (5) a public purpose scoring worksheet for manufacturing project applications. The issuer must pay the application deposit by a check made payable to the department of finance. The Minnesota housing finance agency ~~and~~, the Minnesota rural finance authority, and the Minnesota higher education coordinating board may apply for and



receive an allocation under this section without submitting an application deposit.

(b) An entitlement issuer may not apply for an allocation from the housing pool or from the public facilities pool unless it has either permanently issued bonds equal to the amount of its entitlement allocation for the current year plus any amount of bonding authority carried forward from previous years or returned for reallocation all of its unused entitlement allocation. For purposes of this subdivision, its entitlement allocation includes an amount obtained under section 474A.04, subdivision 6. This paragraph does not apply to an application from the Minnesota housing finance agency for an allocation under subdivision 2a for cities who choose to have the agency issue bonds on their behalf.

(c) If an application is rejected under this section, the commissioner must notify the applicant and return the application deposit to the applicant within 30 days unless the applicant requests in writing that the application be resubmitted. The granting of an allocation of bonding authority under this section must be evidenced by a certificate of allocation.

Sec. 5. Minnesota Statutes 1991 Supplement, section 474A.061, subdivision 3, is amended to read:

Subd. 3. [ADDITIONAL DEPOSIT.] An issuer which has received an allocation under this section may retain any unused portion of the allocation after the first Tuesday in August only if the issuer has submitted to the department before the first Tuesday in August a letter stating its intent to issue obligations pursuant to the allocation before the end of the calendar year or within the time period permitted by federal tax law and a deposit in addition to that provided under subdivision 1, equal to one percent of the amount of allocation to be retained. Section 474A.091, subdivision 5, applies to an allocation made under this section. The Minnesota housing finance agency and the Minnesota rural finance authority may retain an unused portion of an allocation after the first Tuesday in August without submitting an additional deposit.

Sec. 6. Minnesota Statutes 1991 Supplement, section 474A.091, subdivision 2, is amended to read:

Subd. 2. [APPLICATION.] Issuers ~~other than the Minnesota rural finance authority~~ may apply for an allocation under this section by submitting to the department an application on forms provided by the department accompanied by (1) a preliminary resolution, (2) a statement of bond counsel that the proposed issue of obligations requires an allocation under this chapter, (3) the type of qualified bonds to be issued, (4) an application deposit in the amount of two percent of the requested allocation, and (5) a public purpose scoring worksheet for manufacturing applications. The issuer must pay the

application deposit by check. An entitlement issuer may not apply for an allocation for public facility bonds, residential rental project bonds, or mortgage bonds under this section unless it has either permanently issued bonds equal to the amount of its entitlement allocation for the current year plus any amount carried forward from previous years or returned for reallocation all of its unused entitlement allocation. For purposes of this subdivision, its entitlement allocation includes an amount obtained under section 474A.04, subdivision 6.

The Minnesota housing finance agency may not apply for an allocation for mortgage bonds under this section until after the last Monday in August. Notwithstanding the restrictions imposed on unified pool allocations after September 1 under subdivision 3, paragraph (c)(2), the Minnesota housing finance agency may be awarded allocations for mortgage bonds from the unified pool after September 1. The Minnesota housing finance agency, the Minnesota higher education coordinatng board, and the Minnesota rural finance authority may apply for and receive an allocation under this section without submitting an application deposit.

Sec. 7. Minnesota Statutes 1991 Supplement, section 474A.091, subdivision 3, is amended to read:

Subd. 3. [ALLOCATION PROCEDURE.] (a) The commissioner shall allocate available bonding authority under this section on the Monday of every other week beginning with the first Monday in August through and on the last Monday in November. Applications for allocations must be received by the department by the Monday preceding the Monday on which allocations are to be made. If a Monday falls on a holiday, the allocation will be made or the applications must be received by the next business day after the holiday.

(b) On or before September 1, allocations shall be awarded from the unified pool in the following order of priority:

- (1) applications for small issue bonds;
- (2) applications for residential rental project bonds;
- (3) applications for public facility projects funded by public facility bonds;
- (4) applications for redevelopment bonds;
- (5) applications for mortgage bonds; and
- (6) applications for governmental bonds.

Allocations for residential rental projects may only be made during the first allocation in August. The amount of allocation provided to an issuer for a specific manufacturing project will be based on the number of points received for the proposed project under the scoring system under section 474A.045. Proposed manufacturing projects that receive 50 points or more are eligible for all of the proposed allocation. Proposed manufacturing projects that receive less than 50 points under section 474A.045 are only eligible to receive a proportionally reduced share of the proposed authority, based upon the number of points received. If there are two or more applications for manufacturing projects from the unified pool and there is insufficient bonding authority to provide allocations for all manufacturing projects in any one allocation period, the available bonding authority shall be awarded based on the number of points awarded a project under section 474A.045 with those projects receiving the greatest number of points receiving allocation first.

(c)(1) On the first Monday in August, \$5,000,000 of bonding authority is reserved within the unified pool for agricultural development bond loan projects of the Minnesota rural finance authority and \$20,000,000 of bonding authority or an amount equal to the total annual amount of bonding authority allocated to the small issue pool under section 474A.03, subdivision 1, less the amount allocated to issuers from the small issue pool for that year, whichever is less, is reserved within the unified pool for small issue bonds. On the first Monday in September, \$2,500,000 of bonding authority or an amount equal to the total annual amount of bonding authority allocated to the public facilities pool under section 474A.03, subdivision 1, less the amount allocated to issuers from the public facilities pool for that year, whichever is less, is reserved within the unified pool for public facility bonds. If sufficient bonding authority is not available to reserve the required amounts for both small issue bonds manufacturing projects and public facility bonds agricultural development bond loan projects, seven-eighths of the remaining available bonding authority is reserved for small issue bonds and one-eighth of the remaining available bonding authority is reserved for public facility bonds must be distributed between the two reservations on a pro rata basis, based upon the amounts each would have received if sufficient authority was available.

(2) The total amount of allocations for mortgage bonds from the housing pool and the unified pool may not exceed:

- (i) \$10,000,000 for any one city; or
- (ii) \$20,000,000 for any number of cities in any one county.

An allocation for mortgage bonds may be used for mortgage credit certificates.

After September 1, allocations shall be awarded from the unified

pool only for the following types of qualified bonds: small issue bonds, public facility bonds to finance publicly owned facility projects, and residential rental project bonds.

(d) If there is insufficient bonding authority to fund all projects within any qualified bond category, allocations shall be awarded by lot unless otherwise agreed to by the respective issuers. If an application is rejected, the commissioner must notify the applicant and return the application deposit to the applicant within 30 days unless the applicant requests in writing that the application be resubmitted. The granting of an allocation of bonding authority under this section must be evidenced by issuance of a certificate of allocation.

Sec. 8. [HIGHER EDUCATION COORDINATING BOARD.]

Subdivision 1. [1992 MANUFACTURING POOL RESERVATION.] On the first Monday in May of 1992, \$15,000,000 of bonding authority is reserved within the manufacturing pool and \$5,000,000 of bonding authority is reserved within the public facilities pool for student loan bonds issued by the higher education coordinating board. On the day after the last Monday in July of 1992, any bonding authority remaining unallocated from the student loan bond reservations is transferred to the unified pool and must be reallocated as provided in Minnesota Statutes, section 474A.091.

Subd. 2. [1992 CARRYFORWARD.] Notwithstanding Minnesota Statutes, section 474A.091, subdivision 4, the commissioner of finance may allocate a portion of remaining available bonding authority to the higher education coordinating board for student loan bonds on December 1, 1992.

Subd. 3. [1993 UNIFIED POOL RESERVATION.] On the first Monday in August of 1993, up to \$10,000,000 of bonding authority is reserved within the unified pool for student loan bonds issued by the higher education coordinating board; provided that the total amount of the unified pool reservation authorized under this subdivision and the carryforward authorized under subdivision 2 may not exceed \$20,000,000 of bonding authority.

Sec. 9. [EFFECTIVE DATE.]

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

Delete the title and insert:

"A bill for an act relating to bond allocation; changing procedures for allocating bonding authority; amending Minnesota Statutes 1991 Supplement, sections 462A.073, subdivision 1; 474A.03, sub-

division 4; 474A.04, subdivision 1a; 474A.061, subdivisions 1 and 3; and 474A.091, subdivisions 2 and 3.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Rodosovich from the Committee on Health and Human Services to which was referred:

H. F. No. 2962, A bill for an act relating to health; allowing nursing homes to establish review organizations; including quality assurance under medical assistance and Medicare as an activity of a review organization; allowing nursing homes to limit access to certain physicians and pharmacists on the basis of quality assurance activities; amending Minnesota Statutes 1991 Supplement, sections 145.61, subdivisions 4a and 5; and 256B.48, subdivision 1.

Reported the same back with the following amendments:

Pages 3 to 7, delete section 3

Amend the title as follows:

Page 1, line 5, delete “allowing nursing”

Page 1, delete lines 6 and 7

Page 1, line 8, delete everything before “amending”

Page 1, line 9, delete the semicolon

Page 1, line 10, delete everything before the period

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Osthoff from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

S. F. No. 1716, A bill for an act relating to Olmsted county; permitting the appointment of the recorder; authorizing the abolishment and reorganization of the office.

Reported the same back with the following amendments:

Page 2, line 15, delete "21" and insert "30"

With the recommendation that when so amended the bill pass.

The report was adopted.

Osthoff from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

S. F. No. 2307, A bill for an act relating to elections; changing deadlines for certain statutory cities to abolish the ward system; amending Minnesota Statutes 1990, section 412.023, subdivision 4.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

## **SECOND READING OF HOUSE BILLS**

H. F. Nos. 1334, 1910, 2043, 2190, 2267, 2320, 2360, 2499, 2504, 2543, 2586, 2603, 2608, 2642, 2685, 2707, 2746, 2884 and 2962 were read for the second time.

## **SECOND READING OF SENATE BILLS**

S. F. Nos. 2514, 1716 and 2307 were read for the second time.

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

The following House Files were introduced:

Newinski, Valento, Boo, Runbeck and Pauly introduced:

H. F. No. 2999, A resolution memorializing the President and Congress to recognize Labor Day 1992 as "Help Yourself, Buy American Day."

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Milbert introduced:

H. F. No. 3000, A bill for an act relating to taxation; replacing the property tax refund to homeowners with Minnesota property tax share; limiting certain property taxes for homeowners to 2-1/2 percent of household income; requiring counties to separately state the amount of voter approved referendum levies on the property tax statement; amending Minnesota Statutes 1990, sections 275.07, subdivision 1; 290A.01; 290A.03, subdivisions 6 and 13; and 290A.04, subdivisions 1 and 2; Minnesota Statutes 1991 Supplement, section 276.04, subdivision 2; repealing Minnesota Statutes 1990, section 290A.04, subdivision 2b.

The bill was read for the first time and referred to the Committee on Taxes.

### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Madam Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 720.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said Senate File is herewith transmitted to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONFERENCE COMMITTEE REPORT ON S. F. NO. 720

A bill for an act relating to housing and economic development;

modifying procedures relating to rent escrow actions; modifying procedures relating to the tenant's loss of essential services; modifying provisions relating to tenant remedy actions, retaliatory eviction proceedings, and receivership proceedings; modifying provisions relating to Minnesota housing finance agency low- and moderate-income housing programs; requiring counseling for reverse mortgage loans; modifying certain receivership, assignment of rents and profits, and landlord and tenant provisions; modifying provisions relating to housing and redevelopment authorities; providing for the issuance of general obligation bonds for housing by the cities of Minneapolis and St. Paul; authorizing the city of Minneapolis to make small business loans; authorizing certain economic development activities within the city of St. Paul; excluding housing districts from the calculation of local government aid reductions; modifying the interest rate reduction program; appropriating money; amending Minnesota Statutes 1990, sections 47.58, by adding a subdivision; 268.39; 273.1399, subdivision 1; 462A.03, subdivisions 10, 13, and 16; 462A.05, subdivision 20, and by adding a subdivision; 462A.08, subdivision 2; 462A.21, subdivisions 4k, 12a, and 14; 462A.22, subdivision 9; 462A.222, subdivision 3; 462C.03, subdivision 10; 469.002, subdivision 24; 469.011, subdivision 4; 469.012, subdivisions 1 and 3; 469.015, subdivisions 3, 4, and by adding a subdivision; 469.176, subdivision 4f; 474A.048, subdivision 2; 481.02, subdivision 3; 504.02; 504.18, subdivision 1; 504.185, subdivision 2; 504.20, subdivisions 3, 4, 5, and 7; 504.27; 559.17, subdivision 2; 566.03, subdivision 1; 566.17, by adding a subdivision; 566.175, subdivision 6; 566.18, subdivision 9; 566.29, subdivisions 2 and 4; and 576.01, subdivision 2; Laws 1974, chapter 285, section 4, as amended; Laws 1987, chapter 404, section 28, subdivision 1; Laws 1988, chapter 594, section 6; Laws 1989, chapter 335, article 1, section 27, subdivision 1, as amended; proposing coding for new law in Minnesota Statutes, chapter 609; repealing Minnesota Statutes 1990, section 462A.05, subdivisions 28 and 29.

March 11, 1992

The Honorable Jerome M. Hughes  
President of the Senate

The Honorable Dee Long  
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 720, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S. F. No. 720 be further amended as follows:

Delete everything after the enacting clause and insert:



"ARTICLE 1  
LANDLORD AND TENANT

Section 1. Minnesota Statutes 1991 Supplement, section 481.02, subdivision 3, is amended to read:

Subd. 3. [PERMITTED ACTIONS.] The provisions of this section shall not prohibit:

(1) any person from drawing, without charge, any document to which the person, an employer of the person, a firm of which the person is a member, or a corporation whose officer or employee the person is, is a party, except another's will or testamentary disposition or instrument of trust serving purposes similar to those of a will;

(2) a person from drawing a will for another in an emergency if the imminence of death leaves insufficient time to have it drawn and its execution supervised by a licensed attorney-at-law;

(3) any insurance company from causing to be defended, or from offering to cause to be defended through lawyers of its selection, the insureds in policies issued or to be issued by it, in accordance with the terms of the policies;

(4) a licensed attorney-at-law from acting for several common-carrier corporations or any of its subsidiaries pursuant to arrangement between the corporations;

(5) any bona fide labor organization from giving legal advice to its members in matters arising out of their employment;

(6) any person from conferring or cooperating with a licensed attorney-at-law of another in preparing any legal document, if the attorney is not, directly or indirectly, in the employ of the person or of any person, firm, or corporation represented by the person;

(7) any licensed attorney-at-law of Minnesota, who is an officer or employee of a corporation, from drawing, for or without compensation, any document to which the corporation is a party or in which it is interested personally or in a representative capacity, except wills or testamentary dispositions or instruments of trust serving purposes similar to those of a will, but any charge made for the legal work connected with preparing and drawing the document shall not exceed the amount paid to and received and retained by the attorney, and the attorney shall not, directly or indirectly, rebate the fee to or divide the fee with the corporation;

(8) any person or corporation from drawing, for or without a fee,

farm or house leases, notes, mortgages, chattel mortgages, bills of sale, deeds, assignments, satisfactions, or any other conveyances except testamentary dispositions and instruments of trust;

(9) a licensed attorney-at-law of Minnesota from rendering to a corporation legal services to itself at the expense of one or more of its bona fide principal stockholders by whom the attorney is employed and by whom no compensation is, directly or indirectly, received for the services;

(10) any person or corporation engaged in the business of making collections from engaging or turning over to an attorney-at-law for the purpose of instituting and conducting suit or making proof of claim of a creditor in any case in which the attorney-at-law receives the entire compensation for the work;

(11) any regularly established farm journal or newspaper, devoted to general news, from publishing a department of legal questions and answers to them, made by a licensed attorney-at-law, if no answer is accompanied or at any time preceded or followed by any charge for it, any disclosure of any name of the maker of any answer, any recommendation of or reference to any one to furnish legal advice or services, or by any legal advice or service for the periodical or any one connected with it or suggested by it, directly or indirectly;

(12) any authorized management agent of an owner of rental property used for residential purposes, whether the management agent is a natural person, corporation, partnership, limited partnership, or any other business entity, from commencing, maintaining, conducting, or defending in its own behalf any action in any court in this state to recover or retain possession of the property, except that the provision of this clause does not authorize a person who is not a licensed attorney-at-law to conduct a jury trial or to appear before a district court or the court of appeals or supreme court pursuant to an appeal;

(13) any person from commencing, maintaining, conducting, or defending on behalf of the plaintiff or defendant any action in any court of this state pursuant to the provisions of section 566.175 or sections 566.18 to ~~566.33~~ 566.35 or from commencing, maintaining, conducting, or defending on behalf of the plaintiff or defendant any action in any court of this state for the recovery of rental property used for residential purposes pursuant to the provisions of section 566.02 or 566.03, subdivision 1, except that the provision of this clause does not authorize a person who is not a licensed attorney-at-law to conduct a jury trial or to appear before a district court or the court of appeals or supreme court pursuant to an appeal, and provided that, except for a nonprofit corporation, a person who is not a licensed attorney-at-law shall not charge or collect a separate fee for services rendered pursuant to this clause; or

(14) the delivery of legal services by a specialized legal assistant in accordance with a specialty license issued by the supreme court before July 1, 1995.

Sec. 2. Minnesota Statutes 1990, section 504.02, is amended to read:

504.02 [CANCELLATION OF LEASES IN CERTAIN CASES; ABANDONMENT OR SURRENDER OF POSSESSION.]

Subdivision 1. [ACTION TO RECOVER.] (a) In case of a lease of real property, when the landlord has a subsisting right of reentry for the failure of the tenant to pay rent the landlord may bring an action to recover possession of the property and such action is equivalent to a demand for the rent and a reentry upon the property; but if, at any time before possession has been delivered to the plaintiff on recovery in the action, the lessee or a successor in interest as to the whole or any part of the property pays to the plaintiff or brings into court the amount of the rent then in arrears, with interest and costs of the action, and an attorney's fee not exceeding \$5, and performs the other covenants on the part of the lessee, the lessee or successor may be restored to the possession and hold the property according to the terms of the original lease.

(b) If the tenant has paid to the plaintiff or brought into court the amount of rent in arrears but is unable to pay the interest, costs of the action, and attorney fees required by this subdivision, the court may permit the defendant to pay these amounts into court and be restored to possession within the same period of time, if any, which the court stays the issuance of the writ of restitution pursuant to section 566.09.

(c) Prior to or after commencement of an action to recover possession for nonpayment of rent, the parties may agree only in writing that partial payment of rent in arrears which is accepted by the landlord prior to issuance of the order granting restitution of the premises pursuant to section 566.09 may be applied to the balance due and does not waive the landlord's action to recover possession of the premises for nonpayment of rent.

(d) Rental payments under this subdivision must first be applied to rent claimed as due in the complaint from prior rental periods before applying any payment toward rent claimed in the complaint for the current rental period, unless the court finds that under the circumstances the claim for rent from prior rental periods has been waived.

Subd. 2. [LEASE GREATER THAN 20 YEARS.] (a) If the lease under which the right of reentry is claimed is a lease for a term of more than 20 years, reentry cannot be made into the land or such action commenced by the landlord unless, after default, the landlord

shall serve upon the tenant, also upon all creditors having a lien of record legal or equitable upon the leased premises or any part thereof, a written notice that the lease will be canceled and terminated unless the payment or payments in default shall be made and the covenants in default shall be performed within 30 days after the service of such notice, or within such greater period as the lessor shall specify in the notice, and if such default shall not be removed within the period specified within the notice, then the right of reentry shall be complete at the expiration of the period and may be exercised as provided by law. If any such lease shall provide that the landlord, after default, shall give more than 30 days' notice in writing to the tenant of the landlord intention to terminate the tenancy by reason of default in terms thereof, then the length of the notice to terminate shall be the same as provided for and required by the lease.

(b) As to such leases for a term of more than 20 years, if at any time before the expiration of six months after possession obtained by the plaintiff by abandonment or surrender of possession by the tenant or on recovery in the action, the lessee or a successor in interest as to the whole or part of the property, or any creditor having a lien legal or equitable upon the leased premises or any part thereof, pays to the plaintiff, or brings into court, the amount of rent then in arrears, with interest and the costs of the action, and performs the other covenants on the part of the lessee, the lessee or successor may be restored to the possession and hold the property according to the terms of the original lease. The provisions of this section shall not apply to any action or proceeding now pending in any of the courts of this state.

Subd. 3. [JUDGMENT TO BE RECORDED.] Upon recovery of possession by the landlord in the action a certified copy of the judgment shall be recorded in the office of the county recorder of the county where the land is situated if unregistered land or in the office of the registrar of titles of such county if registered land and upon recovery of possession by the landlord by abandonment or surrender by the tenant an affidavit by the landlord or the landlord's attorney setting forth such fact shall be recorded in a like manner and such recorded certified copy of such judgment or such recorded affidavit shall be prima facie evidence of the facts stated therein in reference to the recovery of possession by such landlord.

Sec. 3. Minnesota Statutes 1990, section 504.18, subdivision 1, is amended to read:

Subdivision 1. In every lease or license of residential premises, whether in writing or parol, the lessor or licensor covenants:

(a) That the premises and all common areas are fit for the use intended by the parties.

(b) To keep the premises in reasonable repair during the term of the lease or license, except when the disrepair has been caused by the willful, malicious, or irresponsible conduct of the lessee or licensee or a person under the direction or control of the lessee or licensee.

(c) To maintain the premises in compliance with the applicable health and safety laws of the state, including the weatherstripping, caulking, storm window, and storm door energy efficiency standards for renter-occupied residences prescribed by section 216C.27, subdivisions 1 and 3, and of the local units of government where the premises are located during the term of the lease or license, except when violation of the health and safety laws has been caused by the willful, malicious, or irresponsible conduct of the lessee or licensee or a person under the direction or control of the lessee or licensee.

The parties to a lease or license of residential premises may not waive or modify the covenants imposed by this section.

Sec. 4. Minnesota Statutes 1990, section 504.185, subdivision 2, is amended to read:

Subd. 2. [PROCEDURE.] When a municipality, utility company, or other company supplying home heating oil, propane, natural gas, electricity, or water to a building has issued a final notice or has posted the building proposing to disconnect or discontinued the service to the building because an owner who has contracted for the service has failed to pay for it or because an owner is required by law or contract to pay for the service and fails to do so, a tenant or group of tenants may pay to have the service continued or reconnected as provided under this section. Before paying for the service, the tenant or group of tenants shall give oral or written notice to the owner of the tenant's intention to pay after 48 hours, or a shorter period that is reasonable under the circumstances, if the owner has not already paid for the service. In the case of oral notification, written notice shall be mailed or delivered to the owner within 24 hours after oral notice is given.

(a) In the case of natural gas, electricity, or water, if the owner has not yet paid the bill by the time of the tenant's intended payment, or if the service remains discontinued, the tenant or tenants may pay the outstanding bill for the most recent billing period, if the utility company or municipality will restore the service for at least one billing period.

(b) In the case of home heating oil or propane, if the owner has not yet paid the bill by the time of the tenant's intended payment, or if the service remains discontinued, the tenant or tenants may order and pay for one month's supply of the proper grade and quality of oil or propane.

After submitting receipts for the payment to the owner, a tenant may deduct the amount of the tenant's payment from the rental payment next paid to the owner. Any amount paid to the municipality, utility company, or other company by a tenant under this subdivision is considered payment of rent to the owner for purposes of section 504.02.

Sec. 5. Minnesota Statutes 1990, section 504.20, subdivision 3, is amended to read:

Subd. 3. (a) Every landlord shall:

(1) within three weeks after termination of the tenancy; or

(2) within five days of the date when the tenant leaves the building or dwelling due to the legal condemnation of the building or dwelling in which the tenant lives for reasons not due to willful, malicious, or irresponsible conduct of the tenant,

and after receipt of the tenant's mailing address or delivery instructions, return the deposit to the tenant, with interest thereon as above provided, or furnish to the tenant a written statement showing the specific reason for the withholding of the deposit or any portion thereof.

(b) It shall be sufficient compliance with the time requirement of this subdivision if the deposit or written statement required by this subdivision is placed in the United States mail as first class mail, postage prepaid, in an envelope with a proper return address, correctly addressed according to the mailing address or delivery instructions furnished by the tenant, within the time required by this subdivision. The landlord may withhold from the deposit only amounts reasonably necessary:

~~(a)~~ (1) to remedy tenant defaults in the payment of rent or of other funds due to the landlord pursuant to an agreement; or

~~(b)~~ (2) to restore the premises to their condition at the commencement of the tenancy, ordinary wear and tear excepted.

(c) In any action concerning the deposit, the burden of proving, by a fair preponderance of the evidence, the reason for withholding all or any portion of the deposit shall be on the landlord.

Sec. 6. Minnesota Statutes 1990, section 504.20, subdivision 4, is amended to read:

Subd. 4. Any landlord who fails to:

(1) provide a written statement within three weeks of termination of the tenancy and;

(2) provide a written statement within five days of the date when the tenant leaves the building or dwelling due to the legal condemnation of the building or dwelling in which the tenant lives for reasons not due to willful, malicious, or irresponsible conduct of the tenant, or

(3) transfer or return a deposit as required by subdivision 5,

after receipt of the tenant's mailing address or delivery instructions, as required in subdivision 3, shall be liable to the tenant for damages in an amount equal to the portion of the deposit withheld by the landlord and interest thereon as provided in subdivision 2, as a penalty, in addition to the portion of the deposit wrongfully withheld by the landlord and interest thereon.

Sec. 7. Minnesota Statutes 1990, section 504.20, subdivision 5, is amended to read:

Subd. 5. Upon termination of the landlord's interest in the premises, whether by sale, assignment, death, appointment of receiver or otherwise, the landlord or the landlord's agent shall, within a reasonable time 60 days of termination of the interest or when the successor in interest is required to return or otherwise account for the deposit to the tenant, whichever occurs first, do one of the following acts, either of which shall relieve the landlord or agent of further liability with respect to such deposit:

(a) Transfer such deposit, or any remainder after any lawful deductions made under subdivision 3, with interest thereon as provided in subdivision 2, to the landlord's successor in interest and thereafter notify the tenant of such transfer and of the transferee's name and address; or

(b) Return such deposit, or any remainder after any lawful deductions made under subdivision 3, with interest thereon as provided in subdivision 2, to the tenant.

Sec. 8. Minnesota Statutes 1990, section 504.20, subdivision 7, is amended to read:

Subd. 7. The bad faith retention by a landlord of ~~the~~ a deposit, the interest thereon, or any portion thereof, in violation of this section shall subject the landlord to punitive damages not to exceed \$200 for each deposit in addition to the damages provided in subdivision 4. If the landlord has failed to comply with the provisions of subdivision 3 or 5, retention of ~~the~~ a deposit shall be presumed to be in bad faith

unless the landlord returns the deposit within two weeks after the commencement of any action for the recovery of the deposit.

Sec. 9. Minnesota Statutes 1990, section 504.27, is amended to read:

504.27 [REMEDIES ARE ADDITIONAL.]

The remedies provided in sections 504.24 to 504.26 are in addition to and shall not limit other rights or remedies available to landlords and tenants. Any provision, whether oral or written, of any lease or other agreement, whereby any provision of sections 504.24 to 504.27 is waived by a tenant is contrary to public policy and void. The provisions of sections 504.24 to 504.27 shall apply only to tenants as that term is defined in section 566.18, subdivision 2, and buildings as that term is defined in section 566.18, subdivision 7. The provisions of sections 504.24, 504.25, 504.255, and 504.26 apply to occupants and owners of residential real property which is the subject of a mortgage foreclosure or contract for deed cancellation and as to which the period for redemption or reinstatement of the contract has expired.

Sec. 10. Minnesota Statutes 1990, section 566.03, subdivision 1, is amended to read:

Subdivision 1. The person entitled to the premises may recover possession in the manner provided in this section when:

(1) any person holds over lands or tenements after a sale thereof on an execution or judgment, or on foreclosure of a mortgage, and expiration of the time for redemption, or after termination of contract to convey the same, provided that if the person holding such lands or tenements after the ~~sale, foreclosure,~~ expiration of the time for redemption or termination is a tenant, the person has received:

(i) at least one month's written notice of the termination of tenancy as a result of to vacate no sooner than one month after the sale, foreclosure, expiration of the time for redemption or termination, provided that the tenant pays the rent and abides by all terms of the lease; or when

(ii) at least one month's written notice to vacate no later than the date of the expiration of the time for redemption or termination, which notice shall also state that the sender will hold the tenant harmless for breaching the lease by vacating the premises if the mortgage is redeemed or the contract is reinstated;

(2) any person holds over lands or tenements after termination of the time for which they are demised or let to that person or to the persons under whom that person holds possession, or contrary to the



conditions or covenants of the lease or agreement under which that person holds, or after any rent becomes due according to the terms of such lease or agreement; or ~~when~~

(3) any tenant at will holds over after the determination of ~~any such the~~ estate by notice to quit; ~~in all such cases the person entitled to the premises may recover possession thereof in the manner hereinafter provided.~~

Sec. 11. Minnesota Statutes 1990, section 566.17, is amended by adding a subdivision to read:

Subd. 2a. In the second and fourth judicial districts, the housing calendar consolidation project shall retain jurisdiction in matters relating to removal of property under this section. If the plaintiff refuses to return the property after proper demand is made as provided in section 504.24, the court shall enter an order requiring the plaintiff to return the property to the defendant and awarding reasonable expenses including attorney fees to the defendant.

Sec. 12. Minnesota Statutes 1990, section 566.175, subdivision 6, is amended to read:

Subd. 6. ~~The provisions of~~ This section shall apply only applies to:

(1) tenants as ~~that term~~ is defined in section 566.18, subdivision 2, and including occupants and owners of residential real property which is the subject of a mortgage foreclosure or contract for deed cancellation and as to which the period for redemption or reinstatement of the contract has expired;

(2) buildings as that term is defined in section 566.18, subdivision 7; and

(3) landlords as the term "owner" is defined in section 566.18, subdivision 3, but also including mortgagees and contract for deed vendors.

Sec. 13. Minnesota Statutes 1990, section 566.18, subdivision 9, is amended to read:

Subd. 9. [NEIGHBORHOOD ORGANIZATION.] "Neighborhood organization" means a nonprofit corporation incorporated under chapter 317A that satisfies clauses (1) and (2).

The corporation shall:

(1) designate in its articles of incorporation or bylaws a specific geographic community to which its activities are limited; and

(2) be formed for the purposes of promoting community safety, crime prevention, and housing quality in a nondiscriminatory manner.

For purposes of this chapter, an action taken by a neighborhood organization with the written permission of a tenant means, with respect to a building with multiple dwelling units, an action taken by the neighborhood organization with the written permission of the tenants of a majority of the occupied units.

Sec. 14. Minnesota Statutes 1990, section 566.29, subdivision 2, is amended to read:

Subd. 2. Such person or neighborhood organization shall post bond to the extent of the rents expected by the court to be necessary to be collected to correct the violation or violations. Administrators appointed from the governmental agencies shall not be required to give bond.

Sec. 15. Minnesota Statutes 1990, section 566.29, subdivision 4, is amended to read:

Subd. 4. [POWERS.] The administrator is authorized to:

(a) Collect rents from tenants and commercial tenants, evict tenants and commercial tenants for nonpayment of rent or other cause, enter into leases for vacant dwelling units, rent vacant commercial units with the consent of the owner and exercise all other powers necessary and appropriate to carry out the purposes of Laws 1973, chapter 611;

(b) Contract for the reasonable cost of materials, labor and services necessary to remedy the violation or violations found by the court to exist and for the rehabilitation of the property in order to maintain safe and habitable conditions over the useful life of the property, and make disbursements for payment therefor from funds available for the purpose;

(c) Provide any services to the tenants which the owner is obligated to provide but refuses or fails to provide, and pay for them from funds available for the purpose;

(d) Petition the court, after notice to the parties, for an order allowing the administrator to encumber the ~~premise~~ premises to secure funds to the extent necessary to cover the cost of materials, labor, and services, including reasonable fees for the administrator's services, necessary to remedy the violation or violations found by the court to exist and for rehabilitation of the property in order to maintain safe and habitable conditions over the useful life of the

property, and to pay for them from funds derived from the encumbrance; and

(e) Petition the court, after notice to the parties, for an order allowing the administrator to receive funds made available for this purpose by the federal or state governing body or the municipality to the extent necessary to cover the cost of materials, labor, and services necessary to remedy the violation or violations found by the court to exist and for rehabilitation of the property in order to maintain safe and habitable conditions over the useful life of the property, and pay for them from funds derived from the municipal sources this source. The municipality shall recover disbursements by special assessment on the real estate affected, bearing interest at the rate determined by the municipality, not exceeding the rate established for finance charges for open-end credit sales under section 334.16, subdivision 1, clause (b), with the assessment, interest and any penalties to be collected the same as special assessments made for other purposes under state statute or municipal charter.

Sec. 16. [609.606] [UNLAWFUL OUSTER OR EXCLUSION.]

A landlord, agent of the landlord, or person acting under the landlord's direction or control who unlawfully and intentionally removes or excludes a tenant from lands or tenements or intentionally interrupts or causes the interruption of electrical, heat, gas, or water services to the tenant with intent to unlawfully remove or exclude the tenant from lands or tenements is guilty of a misdemeanor.

ARTICLE 2

ASSIGNMENT OF RENTS AND RECEIVERSHIP

Section 1. Minnesota Statutes 1990, section 559.17, subdivision 2, is amended to read:

Subd. 2. A mortgagor may assign, as additional security for the debt secured by the mortgage, the rents and profits from the mortgaged real property, if the mortgage:

(1) Was executed, modified or amended subsequent to August 1, 1977;

(2) Secured an original principal amount of ~~\$500,000~~ \$100,000 or more or is a lien upon residential real estate containing more than four dwelling units; and

(3) Is not a lien upon property which was entirely homesteaded as, residential real estate containing four or less dwelling units where

at least one of the units is homesteaded, or agricultural property. The assignment may be enforced as follows:

(a) If, by the terms of an assignment, a receiver is to be appointed upon the occurrence of some specified event, and a showing is made that the event has occurred, the court shall, without regard to waste, adequacy of the security, or solvency of the mortgagor, appoint a receiver who shall, with respect to the excess cash remaining after application as provided in section 576.01, subdivision 2, apply it as prescribed by the assignment. If the assignment so provides, the receiver shall apply the excess cash in the manner set out herein from the date of appointment through the entire redemption period from any foreclosure sale. Subject to the terms of the assignment, the receiver shall have the powers and duties as set forth in section 576.01, subdivision 2; or

(b) If no provision is made for the appointment of a receiver in the assignment or if by the terms of the assignment a receiver may be appointed, the assignment shall be binding upon the assignor unless or until a receiver is appointed without regard to waste, adequacy of the security or solvency of the mortgagor, but only in the event of default in the terms and conditions of the mortgage, and only in the event the assignment requires the holder thereof to first apply the rents and profits received as provided in section 576.01, subdivision 2, in which case the same shall operate against and be binding upon the occupiers of the premises from the date of filing by the holder of the assignment in the office of the county recorder or the office of the registrar of titles for the county in which the property is located of a notice of default in the terms and conditions of the mortgage and service of a copy of the notice upon the occupiers of the premises. The holder of the assignment shall apply the rents and profits received in accordance with the terms of the assignment, and, if the assignment so provides, for the entire redemption period from any foreclosure sale. A holder of an assignment who enforces it in accordance with this clause shall not be deemed to be a mortgagee in possession with attendant liability.

Nothing contained herein shall prohibit the right to reinstate the mortgage debt granted pursuant to section 580.30, nor the right to redeem granted pursuant to sections 580.23 and 581.10, and any excess cash, as that term is used herein, collected by the receiver under clause (a), or any rents and profits taken by the holder of the assignment under clause (b), shall be credited to the amount required to be paid to effect a reinstatement or redemption.

Sec. 2. Minnesota Statutes 1990, section 576.01, subdivision 2, is amended to read:

Subd. 2. A receiver shall be appointed in the following case:

After the first publication of notice of sale for the foreclosure of a

mortgage pursuant to chapter 580, or with the commencement of an action to foreclose a mortgage pursuant to chapter 581, and during the period of redemption, if the mortgage being foreclosed secured an original principal amount of ~~\$500,000~~ \$100,000 or more or is a lien upon residential real estate containing more than four dwelling units and was not a lien upon property which was entirely homesteaded, residential real estate containing four or less dwelling units where at least one unit is homesteaded, or agricultural property, the foreclosing mortgagee or the purchaser at foreclosure sale may at any time bring an action in the district court of the county in which the mortgaged premises or any part thereof is located for the appointment of a receiver; provided, however, if the foreclosure is by action under chapter 581, a separate action need not be filed. Pending trial of the action on the merits, the court may make a temporary appointment of a receiver following the procedures applicable to temporary injunctions under the rules of civil procedure. If the motion for temporary appointment of a receiver is denied, the trial of the action on the merits shall be held as early as practicable, but not to exceed 30 days after the motion for temporary appointment of a receiver is heard. The court shall appoint a receiver upon a showing that the mortgagor has breached a covenant contained in the mortgage relating to any of the following:

- (1) Application of tenant security deposits as required by section 504.20;
- (2) Payment when due of prior or current real estate taxes or special assessments with respect to the mortgaged premises, or the periodic escrow for the payment of the taxes or special assessments;
- (3) Payment when due of premiums for insurance of the type required by the mortgage, or the periodic escrow for the payment of the premiums;
- (4) Keeping of the covenants required of a lessor or licensor pursuant to section 504.18, subdivision 1.

The receiver shall be an experienced property manager. The court shall determine the amount of the bond to be posted by the receiver.

The receiver shall collect the rents, profits and all other income of any kind, manage the mortgaged premises so to prevent waste, execute leases within or beyond the period of the receivership if approved by the court, pay the expenses listed in clauses (1), (2), and (3) in the priority as numbered, pay all expenses for normal maintenance of the mortgaged premises and perform the terms of any assignment of rents which complies with section 559.17, subdivision 2. Reasonable fees to the receiver shall be paid prior thereto. The receiver shall file periodic accountings as the court determines are necessary and a final accounting at the time of discharge.

The purchaser at foreclosure sale shall have the right, at any time and without limitation as provided in section 582.03, to advance money to the receiver to pay any or all of the expenses which the receiver should otherwise pay if cash were available from the mortgaged premises. Sums so advanced, with interest, shall be a part of the sum required to be paid to redeem from the sale. The sums shall be proved by the affidavit of the purchaser, an agent or attorney, stating the expenses and describing the mortgaged premises. The affidavit must be filed for record with the county recorder or the registrar of titles, and a copy thereof shall be furnished to the sheriff and the receiver at least ten days before the expiration of the period of redemption.

Any sums collected which remain in the possession of the receiver at termination of the receivership shall, in the event the termination of the receivership is due to the reinstatement of the mortgage debt or redemption of the mortgaged premises by the mortgagor, be paid to the mortgagor; and in the event termination of the receivership occurs at the end of the period of redemption without redemption by the mortgagor or any other party entitled to redeem, interest accrued upon the sale price pursuant to section 580.23 or section 581.10 shall be paid to the purchaser at foreclosure sale. Any net sum remaining shall be paid to the mortgagor, except if the receiver was enforcing an assignment of rents which complies with section 559.17, subdivision 2, in which case any net sum remaining shall be paid pursuant to the terms of the assignment.

This subdivision shall apply to all mortgages executed on or after August 1, 1977, and to amendments or modifications of such mortgages, and to amendments or modifications made on or after August 1, 1977, to mortgages executed before August 1, 1977, if the amendment or modification is duly recorded and is for the principal purpose of curing a default.

### ARTICLE 3

#### HOUSING AND REDEVELOPMENT AUTHORITIES

Section 1. Minnesota Statutes 1990, section 469.002, subdivision 24, is amended to read:

Subd. 24. [SECTION 8 PROGRAM.] "Section 8 program" means an existing housing assistance payments program under section 8 of the United States Housing Act of 1937, United States Code, title 42, section 1437f, as amended through December 31, 1989.

Sec. 2. Minnesota Statutes 1990, section 469.011, subdivision 4, is amended to read:

Subd. 4. [EXPENSES; COMPENSATION.] Each commissioner

may receive necessary expenses, including traveling expenses, incurred in the performance of duties. Each commissioner may be paid \$35 up to \$55 for attending each regular and special meeting of the authority. The aggregate of all payments to each commissioner for any one year shall not exceed \$2,500. Commissioners who are elected officials or full-time state employees or full-time employees of the political subdivisions of the state may not receive the daily payment, but they may suffer no loss in compensation or benefits from the state or a political subdivision as a result of their service on the board. Commissioners who are full-time state employees or full-time employees of the political subdivisions of the state may receive the expenses provided for in this subdivision unless the expenses are reimbursed by another source.

Sec. 3. Minnesota Statutes 1990, section 469.012, subdivision 1, is amended to read:

Subdivision 1. [SCHEDULE OF POWERS.] An authority shall be a public body corporate and politic and shall have all the powers necessary or convenient to carry out the purposes of sections 469.001 to 469.047, except that the power to levy and collect taxes or special assessments is limited to the power provided in sections 469.027 to 469.033. Its powers include the following powers in addition to others granted in sections 469.001 to 469.047:

(1) to sue and be sued; to have a seal, which shall be judicially noticed, and to alter it; to have perpetual succession; and to make, amend, and repeal rules consistent with sections 469.001 to 469.047;

(2) to employ an executive director, technical experts, and officers, agents, and employees, permanent and temporary, that it requires, and determine their qualifications, duties, and compensation; for legal services it requires, to call upon the chief law officer of the city or to employ its own counsel and legal staff; so far as practicable, to use the services of local public bodies in its area of operation, provided that those local public bodies, if requested, shall make the services available;

(3) to delegate to one or more of its agents or employees the powers or duties it deems proper;

(4) within its area of operation, to undertake, prepare, carry out, and operate projects and to provide for the construction, reconstruction, improvement, extension, alteration, or repair of any project or part thereof;

(5) subject to the provisions of section 469.026, to give, sell, transfer, convey, or otherwise dispose of real or personal property or any interest therein and to execute leases, deeds, conveyances, negotiable instruments, purchase agreements, and other contracts

or instruments, and take action that is necessary or convenient to carry out the purposes of these sections;

(6) within its area of operation, to acquire real or personal property or any interest therein by gifts, grant, purchase, exchange, lease, transfer, bequest, devise, or otherwise, and by the exercise of the power of eminent domain, in the manner provided by chapter 117, to acquire real property which it may deem necessary for its purposes, after the adoption by it of a resolution declaring that the acquisition of the real property is necessary to eliminate one or more of the conditions found to exist in the resolution adopted pursuant to section 469.003 or to provide decent, safe, and sanitary housing for persons of low and moderate income, or is necessary to carry out a redevelopment project. Real property needed or convenient for a project may be acquired by the authority for the project by condemnation pursuant to this section. This includes any property devoted to a public use, whether or not held in trust, notwithstanding that the property may have been previously acquired by condemnation or is owned by a public utility corporation, because the public use in conformity with the provisions of sections 469.001 to 469.047 shall be deemed a superior public use. Property devoted to a public use may be so acquired only if the governing body of the municipality has approved its acquisition by the authority. An award of compensation shall not be increased by reason of any increase in the value of the real property caused by the assembly, clearance or reconstruction, or proposed assembly, clearance or reconstruction for the purposes of sections 469.001 to 469.047 of the real property in an area;

(7) within its area of operation, and without the adoption of an urban renewal plan, to acquire, by all means as set forth in clause (6) but without the adoption of a resolution provided for in clause (6), real property, and to demolish, remove, rehabilitate, or reconstruct the buildings and improvements or construct new buildings and improvements thereon, or to so provide through other means as set forth in Laws 1974, chapter 228, or to grade, fill, and construct foundations or otherwise prepare the site for improvements. The authority may dispose of the property pursuant to section 469.029, provided that the provisions of section 469.029 requiring conformance to an urban renewal plan shall not apply. The authority may finance these activities by means of the redevelopment project fund or by means of tax increments or tax increment bonds or by the methods of financing provided for in section 469.033 or by means of contributions from the municipality provided for in section 469.041, clause (9), or by any combination of those means. Real property with buildings or improvements thereon shall only be acquired under this clause when the buildings or improvements are substandard. The exercise of the power of eminent domain under this clause shall be limited to real property which contains, or has contained within the three years immediately preceding the exercise of the power of eminent domain and is currently vacant, buildings and improve-



ments which are vacated and substandard. For the purpose of this clause, substandard buildings or improvements mean hazardous buildings as defined in section 463.15, subdivision 3, or buildings or improvements that are dilapidated or obsolescent, faultily designed, lack adequate ventilation, light, or sanitary facilities, or any combination of these or other factors that are detrimental to the safety or health of the community;

(8) within its area of operation, to determine the level of income constituting low or moderate family income. The authority may establish various income levels for various family sizes. In making its determination, the authority may consider income levels that may be established by the Department of Housing and Urban Development or a similar or successor federal agency for the purpose of federal loan guarantees or subsidies for persons of low or moderate income. The authority may use that determination as a basis for the maximum amount of income for admissions to housing development projects or housing projects owned or operated by it;

(9) to provide in federally assisted projects any relocation payments and assistance necessary to comply with the requirements of the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, and any amendments or supplements thereto;

(10) to make an agreement with the governing body or bodies creating the authority which provides exemption from all real and personal property taxes levied or imposed by the state, city, county, or other political subdivisions, for which the authority shall make payments in lieu of taxes to the state, city, county, or other political subdivisions as provided in section 469.040. The governing body shall agree on behalf of all the applicable governing bodies affected that local cooperation as required by the federal government shall be provided by the local governing body or bodies in whose jurisdiction the project is to be located, at no cost or at no greater cost than the same public services and facilities furnished to other residents;

(11) to cooperate with or act as agent for the federal government, the state or any state public body, or any agency or instrumentality of the foregoing, in carrying out any of the provisions of sections 469.001 to 469.047 or of any other related federal, state, or local legislation; and upon the consent of the governing body of the city to purchase, lease, manage, or otherwise take over any housing project already owned and operated by the federal government;

(12) to make plans for carrying out a program of voluntary repair and rehabilitation of buildings and improvements, and plans for the enforcement of laws, codes, and regulations relating to the use of land and the use and occupancy of buildings and improvements, and to the compulsory repair, rehabilitation, demolition, or removal of buildings and improvements. The authority may develop, test, and

report methods and techniques, and carry out demonstrations and other activities for the prevention and elimination of slums and blight;

(13) to borrow money or other property and accept contributions, grants, gifts, services, or other assistance from the federal government, the state government, state public bodies, or from any other public or private sources;

(14) to include in any contract for financial assistance with the federal government any conditions that the federal government may attach to its financial aid of a project, not inconsistent with purposes of sections 469.001 to 469.047, including obligating itself (which obligation shall be specifically enforceable and not constitute a mortgage, notwithstanding any other laws) to convey to the federal government the project to which the contract relates upon the occurrence of a substantial default with respect to the covenants or conditions to which the authority is subject; to provide in the contract that, in case of such conveyance, the federal government may complete, operate, manage, lease, convey, or otherwise deal with the project until the defaults are cured if the federal government agrees in the contract to reconvey to the authority the project as then constituted when the defaults have been cured;

(15) to issue bonds for any of its corporate purposes and to secure the bonds by mortgages upon property held or to be held by it or by pledge of its revenues, including grants or contributions;

(16) to invest any funds held in reserves or sinking funds, or any funds not required for immediate disbursement, in property or securities in which savings banks may legally invest funds subject to their control or in the manner and subject to the conditions provided in section 475.66 for the deposit and investment of debt service funds;

(17) within its area of operation, to determine where blight exists or where there is unsafe, unsanitary, or overcrowded housing;

(18) to carry out studies of the housing and redevelopment needs within its area of operation and of the meeting of those needs. This includes study of data on population and family groups and their distribution according to income groups, the amount and quality of available housing and its distribution according to rentals and sales prices, employment, wages, desirable patterns for land use and community growth, and other factors affecting the local housing and redevelopment needs and the meeting of those needs; to make the results of those studies and analyses available to the public and to building, housing, and supply industries;

(19) if a local public body does not have a planning agency or the planning agency has not produced a comprehensive or general

community development plan, to make or cause to be made a plan to be used as a guide in the more detailed planning of housing and redevelopment areas;

(20) to lease or rent any dwellings, accommodations, lands, buildings, structures, or facilities included in any project and, subject to the limitations contained in sections 469.001 to 469.047 with respect to the rental of dwellings in housing projects, to establish and revise the rents or charges therefor;

(21) to own, hold, and improve real or personal property and to sell, lease, exchange, transfer, assign, pledge, or dispose of any real or personal property or any interest therein;

(22) to insure or provide for the insurance of any real or personal property or operations of the authority against any risks or hazards;

(23) to procure or agree to the procurement of government insurance or guarantees of the payment of any bonds or parts thereof issued by an authority and to pay premiums on the insurance;

(24) to make expenditures necessary to carry out the purposes of sections 469.001 to 469.047;

(25) to enter into an agreement or agreements with any state public body to provide informational service and relocation assistance to families, individuals, business concerns, and nonprofit organizations displaced or to be displaced by the activities of any state public body;

(26) to compile and maintain a catalog of all vacant, open and undeveloped land, or land which contains substandard buildings and improvements as that term is defined in clause (7), that is owned or controlled by the authority or by the governing body within its area of operation and to compile and maintain a catalog of all authority owned real property that is in excess of the foreseeable needs of the authority, in order to determine and recommend if the real property compiled in either catalog is appropriate for disposal pursuant to the provisions of section 469.029, subdivisions 9 and 10;

(27) to recommend to the city concerning the enforcement of the applicable health, housing, building, fire prevention, and housing maintenance code requirements as they relate to residential dwelling structures that are being rehabilitated by low- or moderate-income persons pursuant to section 469.029, subdivision 9, for the period of time necessary to complete the rehabilitation, as determined by the authority;

(28) to recommend to the city the initiation of municipal powers, against certain real properties, relating to repair, closing, condem-

nation, or demolition of unsafe, unsanitary, hazardous, and unfit buildings, as provided in section 469.041, clause (5);

(29) to sell, at private or public sale, at the price or prices determined by the authority, any note, mortgage, lease, sublease, lease purchase, or other instrument or obligation evidencing or securing a loan made for the purpose of economic development, job creation, redevelopment, or community revitalization by a public agency to a business, for-profit or nonprofit organization, or an individual;

(30) within its area of operation, to acquire and sell real property that is benefited by federal housing assistance payments, other rental subsidies, interest reduction payments, or interest reduction contracts for the purpose of preserving the affordability of low- and moderate-income multifamily housing; and

(31) to apply for, enter into contracts with the federal government, administer, and carry out a section 8 program. Authorization by the governing body creating the authority to administer the program at the authority's initial application is sufficient to authorize operation of the program in its area of operation for which it was created without additional local governing body approval. Approval by the governing body or bodies creating the authority constitutes approval of a housing program for purposes of any special or general law requiring local approval of section 8 programs undertaken by city, county, or multicounty authorities; and

(32) to secure a mortgage or loan for a rental housing project by obtaining the appointment of receivers or assignments of rents and profits under sections 559.17 and 576.01, except that the limitation relating to the minimum amounts of the original principal balances of mortgages specified in sections 559.17, subdivision 2, clause (2); and 576.01, subdivision 2, does not apply.

Sec. 4. Minnesota Statutes 1990, section 469.012, subdivision 3, is amended to read:

Subd. 3. [EXERCISE OF POWERS.] An authority may exercise all or any part or combination of the powers granted by sections 469.001 to 469.047 within its area of operation. Any two or more authorities may join with one another in the exercise, either jointly or otherwise, of any or all of their powers for the purpose of financing, including the issuance of bonds and giving security therefor, planning, undertaking, owning, constructing, operating, or contracting with respect to a housing project located within the area of operation of any one or more of the authorities. For that purpose an authority may by resolution prescribe and authorize any other housing authority, so joining with it, to act on its behalf with respect to any or all powers, as its agent or otherwise, in the name of the authority so joining or in its own name.

A city, county, or multicounty authority may by resolution authorize another housing authority to exercise its powers within the authorizing authority's area of operation at the same time that the authorizing authority is exercising the same powers.

A county or city may join with any authority to permit the authority, on behalf of the county, town within the county, or city, to plan, undertake, administer, and carry out a leased existing housing assistance payments program, pursuant to section 8 of the United States Housing Act of 1937 as amended, 42 United States Code, section 1437f. A city may so join with an authority unless there is an authority in the city which has been authorized by resolution under section 469.003 to transact business or exercise powers. A county may so join with an authority unless (a) there is a county authority which has been authorized by resolution under section 469.004 to exercise powers, or the county is a member of a multicounty authority, and (b) the authority has initiated or has in progress an active program or has applied for federal assistance in a public housing, section 8, or redevelopment program within 12 months after its establishment.

Notwithstanding the other provisions of this subdivision, an authority administering and carrying out a leased existing housing assistance payments program, under section 8 of the United States Housing Act of 1937, United States Code, title 42, section 1437f, as amended, may administer the leased existing housing assistance payments program under the statutory and regulatory portability provisions of the federal section 8 existing housing assistance payments program, United States Code, title 42, section 1437f(r), as amended.

Sec. 5. Minnesota Statutes 1990, section 469.015, subdivision 3, is amended to read:

Subd. 3. [PERFORMANCE BONDS.] Performance bonds shall be required from contractors for any works of construction as provided in and subject to all the provisions of sections 574.26 to 574.31 except for contracts entered into by an authority for an expenditure of less than ~~\$15,000~~ \$25,000.

Sec. 6. Minnesota Statutes 1990, section 469.015, subdivision 4, is amended to read:

Subd. 4. [EXCEPTIONS.] (a) An authority need not require competitive bidding in the following circumstances:

(1) in the case of a contract for the acquisition of a low-rent housing project:

(i) for which financial assistance is provided by the federal government;

(ii) which does not require any direct loan or grant of money from the municipality as a condition of the federal financial assistance; and

(iii) for which the contract provides for the construction of the project upon land not owned by the authority at the time of the contract, or owned by the authority for redevelopment purposes, and provides for the conveyance or lease to the authority of the project or improvements upon completion of construction;

(2) with respect to a structured parking facility:

(i) constructed in conjunction with, and directly above or below, a development; and

(ii) financed with the proceeds of tax increment or parking ramp revenue bonds; and

(3) in the case of a housing development project if:

(i) the project is financed with the proceeds of bonds issued under section 469.034;

(ii) the project is located on land that is not owned by the authority at the time the contract is entered into, or is owned by the authority only for development purposes, and provides for conveyance or lease to the authority of the project or improvements upon completion of construction; and

(iii) the authority finds and determines that elimination of the public bidding requirements is necessary in order for the housing development project to be economical and feasible.

(b) An authority need not require a performance bond ~~in the case of~~ for the following projects:

(1) a contract described in paragraph (a), clause (1);

(2) a construction change order for a housing project in which 30 percent of the construction has been completed;

(3) a construction contract for a single-family housing project in which the authority acts as the general construction contractor; or

(4) a services or materials contract for a housing project.

For purposes of this paragraph, "services or materials contract" does not include construction contracts.

Sec. 7. Minnesota Statutes 1990, section 469.015, is amended by adding a subdivision to read:

Subd. 5. [SECURITY IN LIEU OF BOND.] The authority may accept a certified check or cashier's check in the same amount as required for a bond in lieu of a performance bond for contracts entered into by an authority for an expenditure of less than \$25,000. The check must be held by the authority for 90 days after the contract has been completed. If no suit is brought within the 90 days, the authority must return the amount of the check to the person making it. If a suit is brought within the 90-day period, the authority must disburse the amount of the check pursuant to the order of the court.

#### ARTICLE 4

### LOCAL HOUSING AND ECONOMIC DEVELOPMENT PROGRAMS

#### Section 1. [ST. PAUL ECONOMIC DEVELOPMENT PROGRAM.]

Subdivision 1. [AUTHORIZATION.] The city of St. Paul and the housing and redevelopment authority of the city of St. Paul may implement a citywide economic development program. The program may:

(1) provide working capital financing, except from the proceeds of bonds or other obligations which may be issued only to provide the capital costs of a project;

(2) apply funds of the city or housing and redevelopment authority within or without the boundaries of a presently existing or future redevelopment project area, housing development project, housing project, municipal development district, economic development district, development district, mined underground space development, industrial development district, or tax increment district, except that tax increments shall only be applied in accordance with Minnesota Statutes, sections 469.174 to 469.179;

(3) exercise the powers of an economic development authority under Minnesota Statutes, sections 469.090 to 469.108, and the powers granted to a city by Minnesota Statutes, sections 469.090 to 469.108, or Minnesota Statutes, sections 469.048 to 469.068, or other law, provided that: (i) only the city shall have the power under Minnesota Statutes, section 469.084, subdivision 11, to approve the issuance of revenue bonds by the port authority; and (ii) the housing and redevelopment authority shall not exercise the other powers of

the city under sections 469.090 to 469.108 or sections 469.048 to 469.068 until and unless the city, by resolution, delegates the exercise of all or some of those powers to the housing and redevelopment authority; and

(4) apply funds as permitted by clauses (1) to (3) for the financing of a public or private parking facility, child care facility, or a project as defined by Minnesota Statutes, section 469.153, subdivision 2.

Subd. 2. [SUPPLEMENTAL POWERS.] The powers authorized under this section are in addition and supplemental to any other provisions of general or special law or charter.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective on the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the governing body of the city of St. Paul.

## ARTICLE 5

### MISCELLANEOUS

Section 1. Minnesota Statutes 1990, section 268.362, is amended to read:

268.362 [GRANTS.]

Subdivision 1. [GENERALLY.] The commissioner shall make grants to eligible organizations for programs to provide education and training services to targeted youth. The purpose of these programs is to provide specialized training and work experience to at-risk targeted youth who have not been served effectively by the current educational system. The programs are to include a work experience component with work projects that result in the rehabilitation or construction of residential units for the homeless. Two or more eligible organizations may jointly apply for a grant. The commissioner shall administer the grant program.

Subd. 2. [GRANT APPLICATIONS; AWARDS.] Interested eligible organizations must apply to the commissioner for the grants. The advisory committee must review the applications and provide to the commissioner a list of recommended eligible organizations that the advisory committee determines meet the requirements for receiving a grant. The total grant award for any program may not exceed \$50,000 per year. In awarding grants, the commissioner must give priority to (1) organizations that are operating or have operated successfully a program; and (2) to distributing programs throughout the state. To receive a grant under this section, the eligible organization must match the grant money with at least an equal amount



of nonstate money. The commissioner must verify that the eligible organization has matched the grant money.

Sec. 2. Minnesota Statutes 1990, section 268.364, subdivision 4, is amended to read:

Subd. 4. [JOB READINESS SKILLS COMPONENT.] A job readiness skills component must be included in comprise at least 20 percent of each program. The component must provide program participants with job search skills, placement assistance, and other job readiness skills to ensure that participants will have an understanding of the building trades, unions, self-employment, and other employment opportunities and be able to compete in the employment market.

Sec. 3. Minnesota Statutes 1990, section 268.365, subdivision 2, is amended to read:

Subd. 2. [PRIORITY FOR HOUSING.] Any residential units that become available through the program must be allocated in the following order:

(1) homeless individuals who have participated in constructing, rehabilitating, or improving the unit;

(2) homeless families with at least one dependent;

~~(2)~~ (3) other homeless individuals;

~~(3)~~ (4) other very low income families and individuals; and

~~(4)~~ (5) families or individuals that receive public assistance and that do not qualify in any other priority group.

Sec. 4. Minnesota Statutes 1990, section 566.34, subdivision 2, is amended to read:

Subd. 2. [ESCROW OF RENT.] If a violation exists in a building, a tenant may deposit the amount of rent due to the owner with the court administrator using the following procedure:

(a) For a violation of section 566.18, subdivision 6, clause (a), the tenant may deposit with the court administrator the rent due the owner along with a copy of the written notice of the code violation as provided in section 566.19, subdivision 2. The tenant may not deposit the rent or file the written notice of the code violation until the time granted to make repairs has expired without satisfactory repairs being made, unless the tenant alleges that the time granted is excessive.

(b) For a violation of section 566.18, subdivision 6, clause (b) or (c), the tenant must give written notice to the owner specifying the violation. The notice must be delivered personally or sent to the person or place where rent is normally paid. If the violation is not corrected within 14 days, the tenant may deposit the amount of rent due to the owner with the court administrator along with an affidavit specifying the violation. The court must provide a simplified form affidavit for use under this clause.

(c) The tenant need not deposit rent if none is due to the owner at the time the tenant otherwise files the notice required by this subdivision. All rent which thereafter becomes due to the owner prior to the hearing under this section must be deposited with the court administrator. As long as proceedings are pending under this section, the tenant must pay rent to the owner or as directed by the court and may not withhold rent to remedy a violation.

## ARTICLE 6

### HOUSING AND ECONOMIC DEVELOPMENT PROGRAMS

Section 1. [TRAINING AND HOUSING PROGRAM FOR HOMELESS ADULTS.]

Subdivision 1. [DEFINITIONS.] The definitions in this subdivision apply to this section.

(a) "Eligible organization" means a nonprofit organization run by or for the homeless.

(b) "Homeless individual" or "homeless person" has the meaning given in United States Code, title 42, section 11302.

Subd. 2. [PLANNING GRANT.] The commissioner of the housing finance agency may make a planning grant to eligible organizations for programs to provide homeownership opportunities, education and training, or services to homeless adults. The program must promote individual stability and responsibility of homeless adults through training for jobs that pay a living wage, job placement, life skills development, and access to community support services including health services, counseling, and drug rehabilitation. The program must include a work experience and training component, job skills component, and life skills component.

Subd. 3. [WORK EXPERIENCE AND TRAINING COMPONENT.] The work experience and training component must provide vocational skill training in an industry where there are potential opportunities for jobs that pay a living wage. A monetary compensation may be provided to program participants. The compensation must be provided to participants who are recipients of public

assistance in a manner or amount which will not reduce public assistance benefits. The work experience component must be designed so that work projects result in the expansion of residential units for homeless persons and very low-income individuals and families. The work experience component must include work projects that provide residential units through construction or rehabilitation for the homeless and families with income that does not exceed 50 percent of the median income for the metropolitan area. The program design must include an examination of how program participants may achieve certification as a part of the work experience and training component by entering licensing, apprenticeship, or other educational programs.

Subd. 4. [JOB SKILLS COMPONENT.] The job skills component must provide program participants with job search skills, placement assistance, and other job readiness skills to ensure that participants will be able to compete in the employment market.

Subd. 5. [LIFE SKILLS COMPONENT.] The life skills component must include mentoring to develop homeownership skills, and offer or coordinate participation in parenting and citizenship classes and leadership development to encourage community involvement and responsibility.”

Delete the title and insert:

“A bill for an act relating to housing and economic development; modifying procedures relating to rent escrow actions; modifying procedures relating to the tenant’s loss of essential services; modifying provisions relating to tenant remedy actions, retaliatory eviction proceedings, and receivership proceedings; modifying provisions relating to Minnesota housing finance agency low- and moderate-income housing programs; modifying certain receivership, assignment of rents and profits, and landlord and tenant provisions; modifying provisions relating to housing and redevelopment authorities; authorizing certain economic development activities within the city of St. Paul; providing for job training for homeless persons; amending Minnesota Statutes 1990, sections 268.362; 268.364, subdivision 4; 268.365, subdivision 2; 469.002, subdivision 24; 469.011, subdivision 4; 469.012, subdivisions 1 and 3; 469.015, subdivisions 3, 4, and by adding a subdivision; 504.02; 504.18, subdivision 1; 504.185, subdivision 2; 504.20, subdivisions 3, 4, 5, and 7; 504.27; 559.17, subdivision 2; 566.03, subdivision 1; 566.17, by adding a subdivision; 566.175, subdivision 6; 566.18, subdivision 9; 566.29, subdivisions 2 and 4; 566.34, subdivision 2; 576.01, subdivision 2; Minnesota Statutes 1991 Supplement, sections 481.02, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 609.”

We request adoption of this report and repassage of the bill.

Senate Conferees: JAMES P. METZEN, RANDY C. KELLY AND JOHN BERNHAGEN.

House Conferees: KAREN CLARK, RICHARD H. JEFFERSON AND CONNIE MORRISON.

Clark moved that the report of the Conference Committee on S. F. No. 720 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 720, A bill for an act relating to housing and economic development; modifying procedures relating to rent escrow actions; modifying procedures relating to the tenant's loss of essential services; modifying provisions relating to tenant remedy actions, retaliatory eviction proceedings, and receivership proceedings; modifying provisions relating to Minnesota housing finance agency low- and moderate-income housing programs; requiring counseling for reverse mortgage loans; modifying certain receivership, assignment of rents and profits, and landlord and tenant provisions; modifying provisions relating to housing and redevelopment authorities; providing for the issuance of general obligation bonds for housing by the cities of Minneapolis and St. Paul; authorizing the city of Minneapolis to make small business loans; authorizing certain economic development activities within the city of St. Paul; excluding housing districts from the calculation of local government aid reductions; modifying the interest rate reduction program; appropriating money; amending Minnesota Statutes 1990, sections 47.58, by adding a subdivision; 268.39; 273.1399, subdivision 1; 462A.03, subdivisions 10, 13, and 16; 462A.05, subdivision 20, and by adding a subdivision; 462A.08, subdivision 2; 462A.21, subdivisions 4k, 12a, and 14; 462A.22, subdivision 9; 462A.222, subdivision 3; 462C.03, subdivision 10; 469.002, subdivision 24; 469.011, subdivision 4; 469.012, subdivisions 1 and 3; 469.015, subdivisions 3, 4, and by adding a subdivision; 469.176, subdivision 4f; 474A.048, subdivision 2; 481.02, subdivision 3; 504.02; 504.18, subdivision 1; 504.185, subdivision 2; 504.20, subdivisions 3, 4, 5, and 7; 504.27; 559.17, subdivision 2; 566.03, subdivision 1; 566.17, by adding a subdivision; 566.175, subdivision 6; 566.18, subdivision 9; 566.29, subdivisions 2 and 4; and 576.01, subdivision 2; Laws 1974, chapter 285, section 4, as amended; Laws 1987, chapter 404, section 28, subdivision 1; Laws 1988, chapter 594, section 6; Laws 1989, chapter 335, article 1, section 27, subdivision 1, as amended; proposing coding for new law in Minnesota Statutes, chapter 609; repealing Minnesota Statutes 1990, section 462A.05, subdivisions 28 and 29.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 76 yeas and 53 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Garcia	Krueger	Orenstein	Solberg
Anderson, R.	Greenfield	Lasley	Orfield	Steensma
Battaglia	Hanson	Leppik	Osthoff	Thompson
Bauerly	Hasskamp	Lieder	Peterson	Trimble
Beard	Hausman	Lourey	Pugh	Vanasek
Begich	Jacobs	Mariani	Reding	Vollenga
Bertram	Janezich	McGuire	Rest	Wagenius
Bodahl	Jaros	Milbert	Rice	Wejzman
Brown	Jefferson	Morrison	Rodosovich	Welle
Carlson	Johnson, A.	Munger	Rukavina	Wenzel
Carruthers	Johnson, R.	Murphy	Runbeck	Winter
Clark	Kahn	Nelson, S.	Sarna	Spk. Long
Cooper	Kalis	O'Connor	Schreiber	
Dauner	Kinkel	Ogren	Segal	
Dawkins	Knickerbocker	Olsen, S.	Simoneau	
Farrell	Krambeer	Olson, K.	Skoglund	

Those who voted in the negative were:

Abrams	Girard	Johnson, V.	Omann	Sviggum
Anderson, R. H.	Goodno	Kelso	Onnen	Swenson
Bettermann	Gruenes	Koppendrayner	Ozment	Tompkins
Blatz	Gutknecht	Krinkie	Pauly	Tunheim
Boo	Hartle	Limmer	Pellow	Uphus
Davids	Haukoos	Lynch	Pelowski	Valento
Dille	Heir	Macklin	Schafer	Waltman
Dorn	Henry	Marsh	Seaberg	Weaver
Erhardt	Hufnagle	McEachern	Smith	Welker
Frederick	Hugoson	McPherson	Sparby	
Frerichs	Jennings	Newinski	Stanius	

The bill was repassed, as amended by Conference, and its title agreed to.

Madam Speaker:

I hereby announce the passage by the Senate of the following Senate File, herewith transmitted:

S. F. No. 1722.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 1722, A bill for an act relating to state lands; providing for the release of a state interest in certain property in the city of Minneapolis.

The bill was read for the first time.

Jefferson moved that S. F. No. 1722 and H. F. No. 1861, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

### CONSENT CALENDAR

S. F. No. 1919, A bill for an act relating to trade regulations; regulating telephone advertising services; providing penalties and remedies; amending Minnesota Statutes 1990, section 8.31, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 325E.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Kelso	Olsen, S.	Skoglund
Anderson, I.	Frerichs	Kinkel	Olson, E.	Smith
Anderson, R.	Garcia	Knickerbocker	Olson, K.	Solberg
Anderson, R. H.	Girard	Koppendraye	Omann	Sparby
Battaglia	Goodno	Krambeer	Onnen	Stanius
Bauerly	Greenfield	Krinkie	Orenstein	Steensma
Beard	Gruenes	Krueger	Orfield	Sviggum
Begich	Gutknecht	Lasley	Osthoff	Thompson
Bertram	Hanson	Leppik	Ostrom	Tompkins
Bettermann	Hartle	Lieder	Ozment	Trimble
Bishop	Hasskamp	Limmer	Pauly	Tunheim
Blatz	Haukoos	Lourey	Pellow	Uphus
Bodahl	Hausman	Lynch	Pelowski	Valento
Boo	Heir	Macklin	Peterson	Vanasek
Brown	Henry	Mariani	Pugh	Vellenga
Carlson	Hufnagle	Marsh	Reding	Wagenius
Carruthers	Hugoson	McEachern	Rest	Waltman
Clark	Jacobs	McGuire	Rice	Weaver
Cooper	Janezich	McPherson	Rodosovich	Wejcmán
Dauner	Jaros	Milbert	Rukavina	Welker
Davids	Jefferson	Morrison	Runbeck	Welle
Dawkins	Jennings	Munger	Sarna	Wenzel
Dempsey	Johnson, A.	Murphy	Schafer	Winter
Dille	Johnson, R.	Nelson, S.	Schreiber	Spk. Long
Dorn	Johnson, V.	Newinski	Seaberg	
Erhardt	Kahn	O'Connor	Segal	
Farrell	Kalis	Ogren	Simoneau	

The bill was passed and its title agreed to.

H. F. No. 1996, A bill for an act relating to retirement; permitting certain persons to have employer contributions transferred from the teachers retirement association to the individual retirement account plan; amending Laws 1990, chapter 570, article 3, section 11.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Kelso	Olson, E.	Smith
Anderson, I.	Frerichs	Kinkel	Olson, K.	Solberg
Anderson, R.	Garcia	Knickerbocker	Omman	Sparby
Anderson, R. H.	Girard	Krambeer	Onnen	Stanius
Battaglia	Goodno	Krinkie	Orenstein	Steensma
Bauerly	Greenfield	Krueger	Orfield	Sviggum
Beard	Gruenes	Lasley	Osthoff	Swenson
Begich	Gutknecht	Leppik	Ostrom	Thompson
Bertram	Hanson	Lieder	Ozment	Tompkins
Bettermann	Hartle	Limmer	Pauly	Trimble
Bishop	Hasskamp	Lourey	Pellow	Tunheim
Blatz	Haukoos	Lynch	Pelowski	Uphus
Bodahl	Hausman	Macklin	Peterson	Valento
Boo	Heir	Mariani	Pugh	Vanasek
Brown	Henry	Marsh	Reding	Vellenga
Carlson	Hufnagle	McEachern	Rest	Wagenius
Carruthers	Hugoson	McGuire	Rice	Waltman
Clark	Jacobs	McPherson	Rodosovich	Weaver
Cooper	Janezich	Milbert	Rukavina	Wejcmán
Dauner	Jaros	Morrison	Runbeck	Welker
Dauids	Jefferson	Munger	Sarna	Welle
Dawkins	Jennings	Murphy	Schafer	Wenzel
Dempsey	Johnson, A.	Nelson, S.	Schreiber	Winter
Dille	Johnson, R.	Newinski	Seaberg	Spk. Long
Dorn	Johnson, V.	O'Connor	Segal	
Erhardt	Kahn	Ogren	Simoneau	
Farrell	Kalis	Olsen, S.	Skoglund	

The bill was passed and its title agreed to.

H. F. No. 2063, A bill for an act relating to retirement; changing provisions governing reduced annuities from the public employees retirement association due to reemployment of annuitants; amending Minnesota Statutes 1990, section 353.37, subdivision 1.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Beard	Bodahl	Cooper	Dorn
Anderson, I.	Begich	Boo	Dauner	Erhardt
Anderson, R.	Bertram	Brown	Dauids	Farrell
Anderson, R. H.	Bettermann	Carlson	Dawkins	Frederick
Battaglia	Bishop	Carruthers	Dempsey	Frerichs
Bauerly	Blatz	Clark	Dille	Garcia

Girard	Johnson, V.	McPherson	Pelowski	Sviggum
Goodno	Kahn	Milbert	Peterson	Swenson
Greenfield	Kalis	Morrison	Pugh	Thompson
Gruenes	Kelso	Munger	Reding	Tompkins
Gutknecht	Kinkel	Murphy	Rest	Trimble
Hanson	Knickerbocker	Nelson, S.	Rice	Tunheim
Hartle	Koppendraye	Newinski	Rodosovich	Uphus
Hasskamp	Krambeer	O'Connor	Rukavina	Valento
Haukoos	Krinkie	Ogren	Runbeck	Vanasek
Hausman	Krueger	Olsen, S.	Sarna	Vellenga
Heir	Lasley	Olsen, E.	Schafer	Wagenius
Henry	Leppik	Olson, K.	Schreiber	Waltman
Hufnagle	Lieder	Omann	Seaberg	Weaver
Hugoson	Limmer	Onnen	Segal	Wejcman
Jacobs	Lourey	Orenstein	Simoneau	Welker
Janezich	Lynch	Orfield	Skoglund	Welle
Jaros	Macklin	Osthoff	Smith	Wenzel
Jefferson	Mariani	Ostrom	Solberg	Winter
Jennings	Marsh	Ozment	Sparby	Spk. Long
Johnson, A.	McEachern	Pauly	Stanius	
Johnson, R.	McGuire	Pellow	Steenasma	

The bill was passed and its title agreed to.

H. F. No. 2135 was reported to the House.

Anderson, I., moved to amend H. F. No. 2135, the first engrossment, as follows:

Page 2, after line 18, insert:

"Sec. 2. Minnesota Statutes 1990, section 237.161, subdivision 3, is amended to read:

Subd. 3. [RATES.] (a) When the local calling area to which extended service is sought is the metropolitan local calling area in Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington counties, 75 percent of the costs of providing extended area service, as identified in subdivision 2, must be apportioned to the petitioning exchange and the remaining 25 percent apportioned to the exchange or exchanges to which extended area service is requested. When the proposed extended service area is not the metropolitan local calling area, the commission shall determine the apportionment of costs, provided that between 50 25 and 75 percent of the costs must be allocated to the petitioning exchange. The costs must be apportioned among the customers in an exchange so that the relationship between the rates for classes of basic local service remains the same. Rates within the existing metropolitan local calling area may not be raised as a result of the addition of a local exchange under this subdivision until the rates in the added exchange are at least equal to the highest rates in an adjacent exchange within the metropolitan local calling area, provided that the rates in the added exchange may not exceed the amount necessary to recover 100 percent of the costs



and ensure that the rates are income neutral for the telephone company serving the added exchange.

(b) The commission shall establish rates that are income neutral for each affected telephone company at the time at which the commission determines the extended area service rates. The commission shall consider the interests of all parties when determining a fair and equitable extended area service rate for a local telephone exchange that is newly included in the extended area service.

(c) A telephone company that provides local telephone service in an exchange that is included in an extended service area shall include the extended area service rate in the basic rate for the purpose of billing customers so that only one line item charge appears on customers' bills for both rates."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Upon objection of ten members H. F. No. 2135, as amended, was stricken from the Consent Calendar and placed on General Orders.

H. F. No. 2251 was reported to the House.

Olson, K., moved that H. F. No. 2251 be continued on the Consent Calendar. The motion prevailed.

S. F. No. 2385, A bill for an act relating to elections; special school district No. 1; allowing special school district No. 1 to change the years of its elections; amending Laws 1959, chapter 462, section 3, as amended.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Kelso	Olsen, S.	Skoglund
Anderson, I.	Frerichs	Kinkel	Olson, E.	Smith
Anderson, R.	Garcia	Knickerbocker	Olson, K.	Solberg
Anderson, R. H.	Girard	Koppendrayer	Omann	Sparby
Battaglia	Goodno	Krambeer	Onnen	Stanius
Bauerly	Greenfield	Krinkie	Orenstein	Steensma
Beard	Gruenes	Krueger	Orfield	Swiggum
Begich	Gutknecht	Lasley	Osthoff	Swenson
Bertram	Hanson	Leppik	Ostrom	Thompson
Bettermann	Hartle	Lieder	Ozment	Tompkins
Bishop	Hasskamp	Limmer	Pauly	Trimble
Blatz	Haukoos	Lourey	Pellow	Tunheim
Bodahl	Hausman	Lynch	Pelowski	Uphus
Boo	Heir	Macklin	Peterson	Valento
Brown	Henry	Mariani	Pugh	Vanasek
Carlson	Hufnagle	Marsh	Reding	Vellenga
Carruthers	Hugoson	McEachern	Rest	Wagenius
Clark	Jacobs	McGuire	Rice	Waltman
Cooper	Janezich	McPherson	Rodosovich	Weaver
Dauner	Jaros	Milbert	Rukavina	Wejcmán
Dauids	Jefferson	Morrison	Runbeck	Welker
Dawkins	Jennings	Munger	Sarna	Welle
Dempsey	Johnson, A.	Murphy	Schafer	Wenzel
Dille	Johnson, R.	Nelson, S.	Schreiber	Winter
Dorn	Johnson, V.	Newinski	Seaberg	Spk. Long
Erhardt	Kahn	O'Connor	Segal	
Farrell	Kalis	Ogren	Simoneau	

The bill was passed and its title agreed to.

H. F. No. 2587 was reported to the House.

Runbeck moved that H. F. No. 2587 be placed on General Orders. The motion prevailed.

H. F. No. 2683, A bill for an act relating to the city of Nashwauk; authorizing an increase in benefits payable to surviving spouses by the police relief association; repealing a surviving spouse remarriage penalty; amending Laws 1943, chapter 196, section 4, as amended.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Bertram	Carruthers	Dorn	Greenfield
Anderson, I.	Bettermann	Clark	Erhardt	Gruenes
Anderson, R.	Bishop	Cooper	Farrell	Gutknecht
Anderson, R. H.	Blatz	Dauner	Frederick	Hanson
Battaglia	Bodahl	Dauids	Frerichs	Hartle
Bauerly	Boo	Dawkins	Garcia	Hasskamp
Beard	Brown	Dempsey	Girard	Haukoos
Begich	Carlson	Dille	Goodno	Hausman

Heir	Krinkie	Newinski	Rest	Thompson
Henry	Krueger	O'Connor	Rice	Tompkins
Hufnagle	Lasley	Ogren	Rodosovich	Trimble
Hugoson	Leppik	Olsen, S.	Rukavina	Tunheim
Jacobs	Lieder	Olson, E.	Runbeck	Uphus
Janezich	Limmer	Olson, K.	Sarna	Valento
Jaros	Lourey	Omann	Schafer	Vanasek
Jefferson	Lynch	Onnen	Schreiber	Vellenga
Jennings	Macklin	Orenstein	Seaberg	Wagenius
Johnson, A.	Mariani	Orfield	Segal	Waltman
Johnson, R.	Marsh	Osthoff	Simoneau	Weaver
Johnson, V.	McEachern	Ostrom	Skoglund	Wejman
Kahn	McGuire	Ozment	Smith	Welker
Kalis	McPherson	Pauly	Solberg	Welle
Kelso	Milbert	Pellow	Sparby	Wenzel
Kinkel	Morrison	Pelowski	Stanius	Winter
Knickerbocker	Munger	Peterson	Steensma	Spk. Long
Koppendrayner	Murphy	Pugh	Sviggum	
Krambeer	Nelson, S.	Reding	Swenson	

The bill was passed and its title agreed to.

H. F. No. 2732, A bill for an act relating to public utilities; removing the public service member from the telecommunications access for communication-impaired persons board; amending Minnesota Statutes 1990, section 237.51, subdivisions 2 and 6.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Farrell	Johnson, V.	Murphy	Runbeck
Anderson, I.	Frederick	Kahn	Nelson, S.	Sarna
Anderson, R. H.	Frerichs	Kalis	Newinski	Schafer
Battaglia	Garcia	Kelso	O'Connor	Schreiber
Bauerly	Girard	Kinkel	Ogren	Seaberg
Beard	Goodno	Knickerbocker	Olsen, S.	Segal
Begich	Greenfield	Koppendrayner	Olson, E.	Simoneau
Bertram	Gruenes	Krambeer	Olson, K.	Skoglund
Bettermann	Gutknecht	Krinkie	Omann	Smith
Bishop	Hanson	Krueger	Onnen	Solberg
Blatz	Hartle	Lasley	Orenstein	Sparby
Bodahl	Hasskamp	Leppik	Orfield	Stanius
Boo	Haukoos	Lieder	Osthoff	Steensma
Brown	Hausman	Limmer	Ostrom	Sviggum
Carlson	Heir	Lourey	Ozment	Swenson
Carruthers	Henry	Lynch	Pauly	Thompson
Clark	Hufnagle	Macklin	Pellow	Tompkins
Cooper	Hugoson	Mariani	Pelowski	Trimble
Dauner	Jacobs	Marsh	Peterson	Tunheim
Davids	Janezich	McEachern	Pugh	Uphus
Dawkins	Jaros	McGuire	Reding	Valento
Dempsey	Jefferson	McPherson	Rest	Vanasek
Dille	Jennings	Milbert	Rice	Vellenga
Dorn	Johnson, A.	Morrison	Rodosovich	Wagenius
Erhardt	Johnson, R.	Munger	Rukavina	Waltman

Weaver  
Wejcman

Welker  
Welle

Wenzel  
Winter

Spk. Long

The bill was passed and its title agreed to.

H. F. No. 2854, A bill for an act relating to local government; providing for membership terms for the city of Hibbing public safety commission; providing for the size of the Hibbing public utilities commission; providing for its compensation; authorizing boards of counties to publish newsletters; amending Minnesota Statutes 1990, section 375.18, by adding a subdivision; Laws 1949, chapter 422, section 2, as amended.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frerichs	Kinkel	Olson, E.	Smith
Anderson, I.	Garcia	Knickerbocker	Olson, K.	Solberg
Anderson, R. H.	Girard	Koppendrayner	Omann	Sparby
Battaglia	Goodno	Krambeer	Onnen	Stanius
Bauerly	Greenfield	Krinkie	Orenstein	Steensma
Beard	Gruenes	Krueger	Orfield	Sviggum
Begich	Gutknecht	Lasley	Osthoff	Swenson
Bertram	Hanson	Leppik	Ostrom	Thompson
Bettermann	Hartle	Lieder	Ozment	Tompkins
Bishop	Hasskamp	Limmer	Pauly	Trimble
Blatz	Haukoos	Lourey	Pellow	Tunheim
Bodahl	Hausman	Lynch	Pelowski	Uphus
Boo	Heir	Macklin	Peterson	Valento
Brown	Henry	Mariani	Pugh	Vanasek
Carlson	Hufnagle	Marsh	Reding	Vellenga
Carruthers	Hugoson	McEachern	Rest	Wagenius
Clark	Jacobs	McGuire	Rice	Waltman
Cooper	Janezich	McPherson	Rodosovich	Weaver
Dauner	Jaros	Milbert	Rukavina	Wejcman
Davids	Jefferson	Morrison	Runbeck	Welker
Dawkins	Jennings	Munger	Sarna	Welle
Dempsey	Johnson, A.	Murphy	Schafer	Wenzel
Dille	Johnson, R.	Nelson, S.	Schreiber	Winter
Dorn	Johnson, V.	Newinski	Seaberg	Spk. Long
Erhardt	Kahn	O'Connor	Segal	
Farrell	Kalis	Ogren	Simoneau	
Frederick	Kelso	Olsen, S.	Skoglund	

The bill was passed and its title agreed to.

H. F. No. 1933 was reported to the House.

Anderson, R., moved that H. F. No. 1933 be continued on the Consent Calendar. The motion prevailed.

H. F. No. 2125 was reported to the House.

Tunheim moved that H. F. No. 2125 be continued on the Consent Calendar. The motion prevailed.

H. F. No. 2375, A bill for an act relating to metropolitan government; providing a name for the transportation accessibility advisory committee; amending Minnesota Statutes 1990, section 473.386, subdivisions 2 and 3.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Kelso	Olson, E.	Solberg
Anderson, I.	Frerichs	Kinkel	Omann	Sparby
Anderson, R.	Garcia	Knickerbocker	Onnen	Stanius
Anderson, R. H.	Girard	Koppendrayer	Orenstein	Steensma
Battaglia	Goodno	Krambeer	Orfield	Sviggum
Bauerly	Greenfield	Krinkie	Osthoff	Swenson
Beard	Gruenes	Lasley	Ostrom	Thompson
Begich	Gutknecht	Leppik	Ozment	Tompkins
Bertram	Hanson	Lieder	Pauly	Trimble
Bettermann	Hartle	Limmer	Pellow	Tunheim
Bishop	Hasskamp	Lourey	Pelowski	Uphus
Blatz	Haukoos	Lynch	Peterson	Valento
Bodahl	Hausman	Macklin	Pugh	Vanasek
Boo	Heir	Mariani	Reding	Vellenga
Brown	Henry	Marsh	Rest	Wagenius
Carlson	Hufnagle	McEachern	Rice	Waltman
Carruthers	Hugoson	McGuire	Rodosovich	Weaver
Clark	Jacobs	McPherson	Rukavina	Wejcman
Cooper	Janezich	Milbert	Runbeck	Welker
Dauner	Jaros	Morrison	Sarna	Welle
Davids	Jefferson	Munger	Schafer	Wenzel
Dawkins	Jennings	Murphy	Schreiber	Winter
Dempsey	Johnson, A.	Nelson, S.	Seaberg	Spk. Long
Dille	Johnson, R.	Newinski	Segal	
Dorn	Johnson, V.	O'Connor	Simoneau	
Erhardt	Kahn	Ogren	Skoglund	
Farrell	Kalis	Olsen, S.	Smith	

The bill was passed and its title agreed to.

H. F. No. 2849, A bill for an act relating to state parks; authorizing the commissioner of natural resources to negotiate a special fee structure for the Split Rock Lighthouse state historic site within Split Rock Lighthouse state park; amending Minnesota Statutes 1990, section 85.053, by adding a subdivision.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Kelso	Olsen, S.	Skoglund
Anderson, I.	Frerichs	Kinkel	Olsen, E.	Smith
Anderson, R.	Garcia	Knickerbocker	Olsen, K.	Solberg
Anderson, R. H.	Girard	Koppendrayner	Omann	Sparby
Battaglia	Goodno	Krambeer	Onnen	Stanius
Bauerly	Greenfield	Krinkie	Orenstein	Steensma
Beard	Gruenes	Krueger	Orfield	Sviggum
Begich	Gutknecht	Lasley	Osthoff	Swenson
Bertram	Hanson	Leppik	Ostrom	Thompson
Bettermann	Hartle	Lieder	Ozment	Tompkins
Bishop	Hasskamp	Limmer	Pauly	Trimble
Blatz	Haukoos	Lourey	Pellow	Tunheim
Bodahl	Hausman	Lynch	Pelowski	Uphus
Boo	Heir	Macklin	Peterson	Valento
Brown	Henry	Mariani	Pugh	Vanasek
Carlson	Hufnagle	Marsh	Reding	Vellenga
Carruthers	Hugoson	McEachern	Rest	Wagenius
Clark	Jacobs	McGuire	Rice	Waltman
Cooper	Janezich	McPherson	Rodosovich	Weaver
Dauner	Jaros	Milbert	Rukavina	Wejzman
Dauids	Jefferson	Morrison	Runbeck	Welker
Dawkins	Jennings	Munger	Sarna	Welle
Dempsey	Johnson, A.	Murphy	Schafer	Wenzel
Dille	Johnson, R.	Nelson, S.	Schreiber	Winter
Dorn	Johnson, V.	Newinski	Seaberg	Spk. Long
Erhardt	Kahn	O'Connor	Segal	
Farrell	Kalis	Ogren	Simoneau	

The bill was passed and its title agreed to.

S. F. No. 1399 was reported to the House.

Jacobs moved to amend S. F. No. 1399, the unofficial engrossment, as follows:

Page 1, after line 28, insert:

“Sec. 2. Minnesota Statutes 1991 Supplement, section 216B.241, subdivision 1b, is amended to read:

Subd. 1b. [CONSERVATION IMPROVEMENT; COOPERATIVES; MUNICIPALITIES.] (a) This subdivision applies to:

(1) a cooperative electric association that generates and transmits electricity to associations that provide electricity at retail including a cooperative electric association not located in this state that serves associations or others in the state;

(2) a municipality that provides electric service to retail customers; and

(3) a municipality with gross operating revenues in excess of \$5,000,000 from sales of natural gas to retail customers.

(b) Each cooperative electric association and municipality subject to this subdivision shall spend and invest for energy conservation improvements under this subdivision the following amounts:

(1) for a municipality, .5 percent of its gross operating revenues from the sale of gas and one percent of its gross operating revenues from the sale of electricity not purchased from a public utility governed by subdivision 1a or a cooperative electric association governed by this subdivision; and

(2) for a cooperative electric association, 1.5 percent of its gross operating revenues from service provided in the state.

(c) Each municipality and cooperative association subject to this subdivision shall identify and implement energy conservation improvement spending and investments that are appropriate for the municipality or association. Load management may be used to meet the requirements of this subdivision if it reduces the demand for or increases the efficiency of electric services. A generation and transmission cooperative electric association may include as spending and investment required under this subdivision conservation improvement spending and investment by cooperative electric associations that provide electric service at retail to consumers and that are served by the generation and transmission association. By February 1 of each year, each municipality or cooperative shall report to the commissioner its energy conservation improvement spending and investments with a brief analysis of effectiveness in reducing consumption of electricity or gas. The commissioner shall review each report and make recommendations, where appropriate, to the municipality or association to increase the effectiveness of conservation improvement activities. The commissioner shall also review each report for whether a portion of the money spent on residential conservation improvement programs is devoted to programs that directly address the needs of renters and low-income persons unless an insufficient number of appropriate programs are available. For the purposes of this subdivision and subdivision 2, "low-income" means an income of less than 185 percent of the federal poverty level.

(d) As part of its spending for conservation improvement, a municipality or association may contribute to the energy and conservation account. Any amount contributed must be remitted to the commissioner of public service by February 1 of each year."

“The commissioner shall ensure that a portion of the money spent on residential conservation improvement programs is devoted to programs that directly address the needs of renters and low-income persons unless an insufficient number of appropriate programs are available.”

Renumber the sections in sequence

Amend the title accordingly

The motion prevailed and the amendment was adopted.

S. F. No. 1399, A bill for an act relating to utilities; determining when reconciliation of actual assessments to public utilities and telephone companies must be completed; amending Minnesota Statutes 1990, sections 216B.62, subdivision 3; and 237.295, subdivision 2.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 3 nays as follows:

Those who voted in the affirmative were:

Abrams	Frerichs	Kelso	Olson, E.	Smith
Anderson, I.	Garcia	Kinkel	Olson, K.	Solberg
Anderson, R. H.	Girard	Knickerbocker	Omann	Sparby
Battaglia	Goodno	Koppendrayer	Onnen	Stanius
Bauerly	Greenfield	Krambeer	Orenstein	Steensma
Beard	Gruenes	Krinkie	Orfield	Sviggum
Begich	Gutknecht	Krueger	Ostrom	Swenson
Bertram	Hanson	Lasley	Ozment	Thompson
Bettermann	Hartle	Leppik	Pauly	Tompkins
Blatz	Hasskamp	Lieder	Pellow	Trimble
Bodahl	Haukoos	Limmer	Pelowski	Tunheim
Boo	Hausman	Lourey	Peterson	Uphus
Brown	Heir	Lynch	Pugh	Valento
Carlson	Henry	Mariani	Reding	Vanasek
Carruthers	Hufnagle	Marsh	Rest	Vellenga
Clark	Hugoson	McGuire	Rice	Wagenius
Cooper	Jacobs	McPherson	Rodosovich	Waltman
Dauner	Janezich	Milbert	Rukavina	Weaver
Davids	Jaros	Morrison	Runbeck	Wejzman
Dawkins	Jefferson	Munger	Sarna	Welker
Dempsey	Jennings	Murphy	Schafer	Welle
Dille	Johnson, A.	Nelson, S.	Schreiber	Wenzel
Dorn	Johnson, R.	Newinski	Seaberg	Winter
Erhardt	Johnson, V.	O'Connor	Segal	Spk. Long
Farrell	Kahn	Ogren	Simoneau	
Frederick	Kalis	Olsen, S.	Skoglund	

Those who voted in the negative were:

Anderson, R.      McEachern      Osthoff



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

### SPECIAL ORDERS

H. F. No. 2115 was reported to the House.

Begich moved to amend H. F. No. 2115, the first engrossment, as follows:

Page 1, line 16, after the period insert "If a landowner or occupant is exempt from payment for any of the costs of a partition fence because the fence is not needed, but that owner's or occupant's needs change to include the need for a partition fence within seven years of completion of a partition fence, either owner or occupant may request the fence viewers to perform a re-evaluation and reassignment of shares of cost of construction and maintenance in accordance with the provisions of section 344.06."

Page 2, after line 8, insert:

"Sec. 3. [344.065] [APPEALS.]

Any decision of the fence viewers concerning partition fences may be appealed within 30 days to the district court within the county in which the boundary to be fenced is located. Construction, maintenance, or repair of a fence or payment of costs is not required until appeals are completed."

Amend the title accordingly

The motion prevailed and the amendment was adopted.

H. F. No 2115, A bill for an act relating to partition fences; providing for apportionment of cost of a partition fence; amending Minnesota Statutes 1990, sections 344.03, subdivision 1; and 344.06; proposing coding for new law in Minnesota Statutes, chapter 344.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Kelso	Olson, E.	Solberg
Anderson, I.	Frerichs	Kinkel	Olson, K.	Sparby
Anderson, R.	Garcia	Knickerbocker	Omamm	Stanis
Anderson, R. H.	Girard	Koppendraye	Orenstein	Steensma
Battaglia	Goodno	Krambeer	Orfield	Sviggum
Bauerly	Greenfield	Krinkie	Osthoff	Swenson
Beard	Gruenes	Krueger	Ostrom	Thompson
Begich	Gutknecht	Lasley	Ozment	Tompkins
Bertram	Hanson	Leppik	Pauly	Trimble
Bettermann	Hartle	Lieder	Pellow	Tunheim
Bishop	Hasskamp	Limmer	Pellowski	Uphus
Blatz	Haukoos	Lourey	Peterson	Valento
Bodahl	Hausman	Lynch	Pugh	Vanasek
Boo	Heir	Macklin	Reding	Vellenga
Brown	Henry	Mariani	Rest	Wagenius
Carlson	Hufnagle	Marsh	Rice	Waltman
Carruthers	Hugoson	McEachern	Rodosovich	Weaver
Clark	Jacobs	McGuire	Rukavina	Wejcman
Cooper	Janezich	McPherson	Runbeck	Welker
Dauner	Jaros	Milbert	Sarna	Welle
Davids	Jefferson	Morrison	Schafer	Wenzel
Dawkins	Jennings	Munger	Schreiber	Winter
Dempsey	Johnson, A.	Murphy	Seaberg	Spk. Long
Dille	Johnson, R.	Nelson, S.	Segal	
Dorn	Johnson, V.	Newinski	Simoneau	
Erhardt	Kahn	O'Connor	Skoglund	
Farrell	Kalis	Olsen, S.	Smith	

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

H. F. No. 1969 was reported to the House.

Blatz moved to amend H. F. No. 1969, the first engrossment, as follows:

Delete everything after the enacting clause and insert:

“Section 1. [LOCAL LIQUOR RESTRICTIONS; BLOOMINGTON.]

Notwithstanding any provision of home rule charter, ordinance, or general or special law, the city of Bloomington may not prohibit retail sale of alcoholic beverages by reason of the fact that an on-sale establishment is located within 1,000 feet of a school existing within a retail and entertainment complex and operated by more than one school district or operated by one school district as agent for one or more other school districts.

Any previously adopted city charter or ordinance contrary to the provisions herein shall only be invalid to the extent it violates this section.

Sec. 2. [LOCAL APPROVAL.]

This act is effective the day after the city council of the city of

Bloomington files a certificate of approval in compliance with Minnesota Statutes, section 645.021, subdivision 3."

Amend the title accordingly

The motion prevailed and the amendment was adopted.

H. F. No. 1969, A bill for an act relating to education; providing for the location of a school within a retail and entertainment complex within the city of Bloomington.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Kelso	Olsen, S.	Smith
Anderson, I.	Frerichs	Kinkel	Olson, E.	Solberg
Anderson, R.	Garcia	Knickerbocker	Olson, K.	Sparby
Anderson, R. H.	Girard	Koppendraye	Omann	Stanius
Battaglia	Goodno	Krambeer	Onnen	Steensma
Bauerly	Greenfield	Krinkie	Orenstein	Svigum
Beard	Gruenes	Krueger	Orfield	Swenson
Begich	Gutknecht	Lasley	Ostrom	Thompson
Bertram	Hanson	Leppik	Ozment	Tompkins
Bettermann	Hartle	Lieder	Pauly	Trimble
Bishop	Hasskamp	Limmer	Pellow	Tunheim
Blatz	Haukoos	Lourey	Pelowski	Uphus
Bodahl	Hausman	Lynch	Peterson	Valento
Boo	Heir	Macklin	Pugh	Vanasek
Brown	Henry	Mariani	Reding	Vellenga
Carlson	Hufnagle	Marsh	Rest	Wagenius
Carruthers	Hugoson	McEachern	Rice	Waltman
Clark	Jacobs	McGuire	Rodosovich	Weaver
Cooper	Janezich	McPherson	Rukavina	Wejzman
Dauner	Jaros	Milbert	Runbeck	Welker
Dauids	Jefferson	Morrison	Sarna	Welle
Dawkins	Jennings	Munger	Schafer	Wenzel
Dempsey	Johnson, A.	Murphy	Schreiber	Winter
Dille	Johnson, R.	Nelson, S.	Seaberg	Spk. Long
Dorn	Johnson, V.	Newinski	Segal	
Erhardt	Kahn	O'Connor	Simoneau	
Farrell	Kalis	Ogren	Skoglund	

Those who voted in the negative were:

Osthoff

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

S. F. No. 1689, A bill for an act relating to insurance; property and

casualty; regulating certain terminations and modifications or changes to certain agent agreements; modifying the definition of loss ratio experience; modifying membership in the board of review; amending Minnesota Statutes 1990, sections 60A.172; and 60A.177, subdivision 3.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 122 yeas and 11 nays as follows:

Those who voted in the affirmative were:

Abrams	Frerichs	Kinkel	Olson, E.	Skoglund
Anderson, I.	Garcia	Knickerbocker	Olson, K.	Solberg
Anderson, R.	Goodno	Koppendraye	Omann	Sparby
Battaglia	Greenfield	Krambeer	Orenstein	Steensma
Bauerly	Gruenes	Krueger	Orfield	Sviggum
Beard	Gutknecht	Lasley	Osthoff	Swenson
Begich	Hanson	Leppik	Ostrom	Thompson
Bertram	Hartle	Lieder	Ozment	Tompkins
Bettermann	Hasskamp	Lourey	Pauly	Trimble
Blatz	Hausman	Lynch	Pellow	Tunheim
Bodahl	Heir	Macklin	Pelowski	Uphus
Brown	Henry	Mariani	Peterson	Valento
Carlson	Hufnagle	Marsh	Pugh	Vanasek
Carruthers	Hugoson	McEachern	Reding	Vellenga
Clark	Jacobs	McGuire	Rest	Wagenius
Cooper	Janezich	McPherson	Rice	Waltman
Dauner	Jaros	Milbert	Rodosovich	Weaver
Davids	Jefferson	Morrison	Rukavina	Wejcman
Dawkins	Jennings	Munger	Runbeck	Welle
Dempsey	Johnson, A.	Murphy	Sarna	Wenzel
Dille	Johnson, R.	Nelson, S.	Schafer	Winter
Dorn	Johnson, V.	Newinski	Schreiber	Spk. Long
Erhardt	Kahn	O'Connor	Seaberg	
Farrell	Kalis	Ogren	Segal	
Frederick	Kelso	Olsen, S.	Simoneau	

Those who voted in the negative were:

Anderson, R. H.	Girard	Limmer	Stanius
Bishop	Haukoos	Onnen	Welker
Boo	Krinkie	Smith	

The bill was passed and its title agreed to.

H. F. No. 1701 was reported to the House.

Steensma moved to amend H. F. No. 1701, the first engrossment, as follows:

Page 2, line 26, delete "where" and insert "if (1)"

Page 2, line 27, after "identified" insert "by the commissioner, and (2) the commissioner and the owner of the abandoned rail line have not entered into or are not conducting good-faith negotiations for acquisition of the property"

The motion prevailed and the amendment was adopted.

Steensma moved to amend H. F. No. 1701, the first engrossment, as amended, as follows:

Page 2, line 9, delete "a portion of the costs of" and insert "the state matching portion of federal grants for"

The motion prevailed and the amendment was adopted.

H. F. No. 1701, A bill for an act relating to railroads; authorizing expenditure of rail service improvement account money for maintenance of rail lines and rights-of-way in the rail bank; authorizing the commissioner of transportation to acquire abandoned rail lines and rights-of-way by eminent domain; eliminating requirement to offer state rail bank property to adjacent land owners; amending Minnesota Statutes 1990, sections 222.50, subdivision 7; 222.63, subdivisions 2, 2a, and 4; repealing Minnesota Statutes 1990, section 222.63, subdivision 5.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Cooper	Hartle	Kelso	McPherson
Anderson, I.	Dauner	Hasskamp	Kinkel	Milbert
Anderson, R.	Davids	Haukoos	Knickerbocker	Morrison
Anderson, R. H.	Dawkins	Hausman	Koppendrayner	Munger
Battaglia	Dempsey	Heir	Krambeer	Murphy
Bauerly	Dille	Henry	Krinkie	Nelson, S.
Beard	Dorn	Hufnagle	Krueger	Newinski
Begich	Erhardt	Hugoson	Lasley	O'Connor
Bertram	Farrell	Jacobs	Leppik	Ogren
Bettermann	Frederick	Janezich	Lieder	Olson, S.
Bishop	Frerichs	Jaros	Limmer	Olson, E.
Blatz	Garcia	Jefferson	Lourey	Olson, K.
Bodahl	Girard	Jennings	Lynch	Omann
Boo	Goodno	Johnson, A.	Macklin	Onnen
Brown	Greenfield	Johnson, R.	Mariani	Orenstein
Carlson	Gruenes	Johnson, V.	Marsh	Orfield
Carruthers	Gutknecht	Kahn	McEachern	Osthoff
Clark	Hanson	Kalis	McGuire	Ostrom

Ozment	Rodosovich	Skoglund	Tompkins	Weaver
Pauly	Rukavina	Smith	Trimble	Wejcman
Pellow	Runbeck	Solberg	Tunheim	Welker
Pelowski	Sarna	Sparby	Uphus	Welle
Peterson	Schafer	Stanius	Valento	Wenzel
Pugh	Schreiber	Steenasma	Vanasek	Winter
Reding	Seaberg	Sviggum	Vellenga	Spk. Long
Rest	Segal	Swenson	Wagenius	
Rice	Simoneau	Thompson	Waltman	

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

S. F. No. 1666, A bill for an act relating to local government; authorizing county hospitals to undertake certain projects; amending various laws relating to contracts and conflicts of interest; amending Minnesota Statutes 1990, sections 376.08; 412.311; 412.691; 471.345, subdivisions 3, 4, and by adding a subdivision; and 471.88, subdivision 5; repealing Minnesota Statutes 1990, section 471.88, subdivision 8.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Kelso	Olsen, S.	Smith
Anderson, I.	Frerichs	Kinkel	Olson, E.	Solberg
Anderson, R.	Garcia	Knickerbocker	Olson, K.	Sparby
Anderson, R. H.	Girard	Koppendrayer	Omann	Stanius
Battaglia	Goodno	Krambeer	Onnen	Steenasma
Bauerly	Greenfield	Krinkie	Orenstein	Sviggum
Beard	Gruenes	Krueger	Orfield	Swenson
Begich	Gutknecht	Lasley	Osthoff	Thompson
Bertram	Hanson	Leppik	Ostrom	Tompkins
Bettermann	Hartle	Lieder	Ozment	Trimble
Bishop	Hasskamp	Limmer	Pauly	Tunheim
Blatz	Haukoos	Lourey	Pellow	Uphus
Bodahl	Hausman	Lynch	Pelowski	Valento
Boo	Heir	Macklin	Peterson	Vanasek
Brown	Henry	Mariani	Pugh	Vellenga
Carlson	Hufnagle	Marsh	Reding	Wagenius
Carruthers	Hugoson	McEachern	Rice	Waltman
Clark	Jacobs	McGuire	Rodosovich	Weaver
Cooper	Janezich	McPherson	Rukavina	Wejcman
Dauner	Jaros	Milbert	Runbeck	Welker
Davids	Jefferson	Morrison	Sarna	Welle
Dawkins	Jennings	Munger	Schafer	Wenzel
Dempsey	Johnson, A.	Murphy	Schreiber	Winter
Dille	Johnson, R.	Nelson, S.	Seaberg	Spk. Long
Dorn	Johnson, V.	Newinski	Segal	
Erhardt	Kahn	O'Connor	Simoneau	
Farrell	Kalis	Ogren	Skoglund	

The bill was passed and its title agreed to.

H. F. No. 1488 was reported to the House.

Dawkins moved that H. F. No. 1488 be continued on Special Orders. The motion prevailed.

H. F. No. 1489, A bill for an act relating to cooperatives; regulating regular or special meetings; requiring meetings to be open to members, with certain exceptions; proposing coding for new law in Minnesota Statutes, chapter 308A.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 104 yeas and 26 nays as follows:

Those who voted in the affirmative were:

Abrams	Dorn	Kahn	O'Connor	Simoneau
Anderson, I.	Erhardt	Kelso	Ogren	Skoglund
Anderson, R.	Farrell	Krambeer	Olsen, S.	Smith
Battaglia	Frederick	Krueger	Olson, E.	Solberg
Bauerly	Garcia	Lasley	Orenstein	Sparby
Beard	Girard	Leppik	Orfield	Steensma
Begich	Goodno	Lieder	Osthoff	Swenson
Bertram	Greenfield	Limmer	Ostrom	Tompkins
Bettermann	Gutknecht	Lourey	Ozment	Trimble
Bishop	Hanson	Lynch	Pelowski	Tunheim
Blatz	Hausman	Macklin	Pugh	Valento
Bodahl	Henry	Mariani	Reding	Vanasek
Boo	Hufnagle	Marsh	Rice	Vellenga
Carlson	Jacobs	McEachern	Rodosovich	Wagenius
Carruthers	Janezich	McGuire	Rukavina	Weaver
Clark	Jaros	McPherson	Runbeck	Wejcman
Cooper	Jefferson	Milbert	Sarna	Welle
Dauner	Jennings	Morrison	Schafer	Wenzel
Dawkins	Johnson, A.	Munger	Schreiber	Winter
Dempsey	Johnson, R.	Murphy	Seaberg	Spk. Long
Dille	Johnson, V.	Nelson, S.	Segal	

Those who voted in the negative were:

Anderson, R. H.	Haukoos	Krinkie	Pellow	Waltman
Davids	Heir	Newinski	Peterson	Welker
Ferichs	Hugoson	Olson, K.	Stanisus	
Gruenes	Kalis	Omann	Sviggum	
Hartle	Kinkel	Onnen	Thompson	
Hasskamp	Koppendrayner	Pauly	Uphus	

The bill was passed and its title agreed to.

H. F. No. 1976 was reported to the House.

Bishop moved that H. F. No. 1976 be continued on Special Orders. The motion prevailed.

H. F. No. 2030 was reported to the House.

Rice moved to amend H. F. No. 2030, the first engrossment, as follows:

Page 3, line 14, delete "credited" and insert "created"

Page 3, delete lines 23 and 24

Page 3, lines 25 to 29, renumber the remaining subclauses

The motion prevailed and the amendment was adopted.

H. F. No. 2030, A bill for an act relating to motor carriers; making all persons who transport passengers for hire in intrastate commerce subject to rules of the commissioner of transportation on insurance and driver hours of service; amending Minnesota Statutes 1990, sections 221.031, by adding a subdivision; and 221.141, by adding a subdivision; Minnesota Statutes 1991 Supplement, section 221.025.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Abrams	Dawkins	Hufnagle	Lieder	Omann
Anderson, I.	Dempsey	Hugoson	Limmer	Onnen
Anderson, R.	Dille	Jacobs	Lourey	Orenstein
Anderson, R. H.	Dorn	Janezich	Lynch	Orfield
Battaglia	Erhardt	Jaros	Macklin	Osthoff
Bauerly	Farrell	Jefferson	Mariani	Ostrom
Beard	Frederick	Jennings	Marsh	Ozment
Begich	Frerichs	Johnson, A.	McEachern	Pauly
Bertram	Garcia	Johnson, R.	McGuire	Pellow
Bettermann	Girard	Johnson, V.	McPherson	Pelowski
Bishop	Goodno	Kahn	Milbert	Peterson
Blatz	Greenfield	Kalis	Morrison	Pugh
Bodahl	Gruenes	Kelso	Munger	Reding
Boo	Gutknecht	Kinkel	Murphy	Rest
Brown	Hanson	Knickerbocker	Nelson, S.	Rice
Carlson	Hartle	Koppendraye	Newinski	Rodosovich
Carruthers	Hasskamp	Krambeer	O'Connor	Rukavina
Clark	Haukoos	Krinkie	Ogren	Runbeck
Cooper	Hausman	Krueger	Olsen, S.	Sarna
Dauner	Heir	Lasley	Olson, E.	Schafer
Davids	Henry	Leppik	Olson, K.	Schreiber



Seaberg	Sparby	Tompkins	Vellenga	Wenzel
Segal	Stanius	Trimble	Wagenius	Winter
Simoneau	Steensma	Tunheim	Waltman	Spk. Long
Skoglund	Sviggum	Uphus	Weaver	
Smith	Swenson	Valento	Wejcman	
Solberg	Thompson	Vanasek	Welle	

Those who voted in the negative were:

Welker

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

H. F. No. 2099 was reported to the House.

Carruthers moved to amend H. F. No. 2099, the first engrossment, as follows:

Amend the title as follows:

Page 1, line 6, delete "related rights of" and insert "how subrogation recoveries affect"

The motion prevailed and the amendment was adopted.

H. F. No. 2099, A bill for an act relating to insurance; auto; prohibiting discrimination in automobile insurance policies; requiring insurers to fully reimburse insureds for deductible amounts before retaining subrogation proceeds; specifying how subrogation recoveries affect insureds; amending Minnesota Statutes 1990, section 72A.20, subdivision 23; Minnesota Statutes 1991 Supplement, section 72A.201, subdivision 6.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Bertram	Carruthers	Dorn	Greenfield
Anderson, I.	Bettermann	Clark	Erhardt	Gruenes
Anderson, R.	Bishop	Cooper	Farrell	Gutknecht
Anderson, R. H.	Blatz	Dauner	Frederick	Hanson
Battaglia	Bodahl	Davids	Frerichs	Hartle
Bauerly	Boo	Dawkins	Garcia	Hasskamp
Beard	Brown	Dempsey	Girard	Haukoos
Begich	Carlson	Dille	Goodno	Hausman

Heir	Krinkie	Newinski	Rest	Thompson
Henry	Krueger	O'Connor	Rice	Tompkins
Hufnagle	Lasley	Ogren	Rodosovich	Trimble
Hugoson	Leppik	Olsen, S.	Rukavina	Tunheim
Jacobs	Lieder	Olson, E.	Runbeck	Uphus
Janezich	Limmer	Olson, K.	Sarna	Valento
Jaros	Lourey	Omann	Schafer	Vanasek
Jefferson	Lynch	Onnen	Schreiber	Vellenga
Jennings	Macklin	Orenstein	Seaberg	Wagenius
Johnson, A.	Mariani	Orfield	Segal	Waltman
Johnson, R.	Marsh	Osthoff	Simoneau	Weaver
Johnson, V.	McEachern	Ostrom	Skoglund	Wejzman
Kahn	McGuire	Ozment	Smith	Welker
Kalis	McPherson	Pauly	Solberg	Welle
Kelso	Milbert	Pellow	Sparby	Wenzel
Kinkel	Morrison	Pelowski	Stanis	Winter
Knickerbocker	Munger	Peterson	Steenasma	Spk. Long
Koppendrayner	Murphy	Pugh	Sviggum	
Krambeer	Nelson, S.	Reding	Swenson	

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

H. F. No. 1875 was reported to the House.

Dille moved that H. F. No. 1875 be continued on Special Orders. The motion prevailed.

H. F. No. 1988, A bill for an act relating to intoxicating liquor; authorizing Lake township in Roseau county to establish, own, and operate an exclusive liquor store.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Cooper	Hartle	Kelso	McPherson
Anderson, I.	Dauner	Hasskamp	Kinkel	Milbert
Anderson, R.	Dauids	Haukoos	Knickerbocker	Morrison
Anderson, R. H.	Dawkins	Hausman	Koppendrayner	Munger
Battaglia	Dempsey	Heir	Krambeer	Murphy
Bauerly	Dille	Henry	Krinkie	Nelson, S.
Beard	Dorn	Hufnagle	Krueger	Newinski
Begich	Erhardt	Hugoson	Lasley	O'Connor
Bertram	Farrell	Jacobs	Leppik	Ogren
Bettermann	Frederick	Janezich	Lieder	Olsen, S.
Bishop	Frerichs	Jaros	Limmer	Olson, E.
Blatz	Garcia	Jefferson	Lourey	Olson, K.
Bodahl	Girard	Jennings	Lynch	Omann
Boo	Goodno	Johnson, A.	Macklin	Onnen
Brown	Greenfield	Johnson, R.	Mariani	Orenstein
Carlson	Gruenes	Johnson, V.	Marsh	Orfield
Carruthers	Gutknecht	Kahn	McEachern	Osthoff
Clark	Hanson	Kalis	McGuire	Ostrom

Ozment	Rodosovich	Smith	Trimble	Wejeman
Pauly	Rukavina	Solberg	Tunheim	Welker
Pellow	Runbeck	Sparby	Uphus	Welle
Pelowski	Sarna	Stanis	Valento	Wenzel
Peterson	Schafer	Steensma	Vanasek	Winter
Pugh	Schreiber	Sviggum	Vellenga	
Reding	Seaberg	Swenson	Wagenius	
Rest	Segal	Thompson	Waltman	
Rice	Simoneau	Tompkins	Weaver	

The bill was passed and its title agreed to.

H. F. No. 2046 was reported to the House.

Bertram moved that H. F. No. 2046 be continued on Special Orders. The motion prevailed.

H. F. No. 2186, A bill for an act relating to retirement; St. Paul fire department relief association; authorizing the payment of benefits to surviving former spouses of certain members.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 6 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Kelso	Olson, E.	Smith
Anderson, I.	Frerichs	Kinkel	Olson, K.	Solberg
Anderson, R.	Garcia	Knickerbocker	Omann	Sparby
Anderson, R. H.	Girard	Koppendrayner	Onnen	Steensma
Battaglia	Goodno	Krambeer	Orenstein	Sviggum
Bauerly	Greenfield	Krueger	Orfield	Swenson
Beard	Gruenes	Lasley	Osthoff	Thompson
Begich	Gutknecht	Leppik	Ostrom	Tompkins
Bertram	Hanson	Lieder	Ozment	Trimble
Bishop	Hartle	Limmer	Pauly	Tunheim
Blatz	Hasskamp	Lourey	Pellow	Uphus
Bodahl	Haukoos	Macklin	Pelowski	Valento
Boo	Hausman	Mariani	Peterson	Vanasek
Brown	Heir	Marsh	Pugh	Vellenga
Carlson	Henry	McEachern	Reding	Wagenius
Carruthers	Hufnagle	McGuire	Rest	Waltman
Clark	Hugoson	McPherson	Rice	Weaver
Cooper	Jacobs	Milbert	Rodosovich	Wejeman
Dauner	Janezich	Morrison	Rukavina	Welle
Davids	Jaros	Munger	Runbeck	Wenzel
Dawkins	Jefferson	Murphy	Sarna	Winter
Dempsey	Jennings	Nelson, S.	Schreiber	Spk. Long
Dille	Johnson, A.	Newinski	Seaberg	
Dorn	Johnson, R.	O'Connor	Segal	
Erhardt	Kahn	Ogren	Simoneau	
Farrell	Kalis	Olsen, S.	Skoglund	

Those who voted in the negative were:

Bettermann	Krinkie	Stanius
Johnson, V.	Schafer	Welker

The bill was passed and its title agreed to.

H. F. No. 2313 was reported to the House.

Welle moved that H. F. No. 2313 be continued on Special Orders. The motion prevailed.

H. F. No. 2388, A bill for an act relating to local government; regulating certain interests in contracts by public officers; amending Minnesota Statutes 1990, section 471.88, by adding a subdivision.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 119 yeas and 13 nays as follows:

Those who voted in the affirmative were:

Abrams	Farrell	Kelso	Olson, K.	Skoglund
Anderson, I.	Frederick	Kinkel	Omann	Solberg
Anderson, R.	Frerichs	Knickerbocker	Onnen	Sparby
Anderson, R. H.	Garcia	Koppendrayer	Orenstein	Stanius
Battaglia	Greenfield	Krambeer	Orfield	Steensma
Bauerly	Gutknecht	Krueger	Osthoff	Sviggum
Beard	Hanson	Lasley	Ostrom	Swenson
Begich	Hartle	Leppik	Ozment	Thompson
Bertram	Hasskamp	Lieder	Pauly	Tompkins
Bishop	Hausman	Lourey	Pellow	Trimble
Blatz	Heir	Lynch	Pelowski	Tunheim
Bodahl	Henry	Macklin	Peterson	Uphus
Boo	Hufnagle	Marsh	Pugh	Valento
Brown	Hugoson	McEachern	Reding	Vanasek
Carlson	Jacobs	McGuire	Rest	Vellenga
Carruthers	Janezich	McPherson	Rice	Wagenius
Clark	Jaros	Milbert	Rodosovich	Waltman
Cooper	Jefferson	Morrison	Rukavina	Weaver
Dauner	Jennings	Munger	Runbeck	Wejzman
Dauids	Johnson, A.	Murphy	Sarna	Welle
Dawkins	Johnson, R.	Nelson, S.	Schafer	Wenzel
Dille	Johnson, V.	O'Connor	Schreiber	Winter
Dorn	Kahn	Ogren	Segal	Spk. Long
Erhardt	Kalis	Olson, E.	Simoneau	

Those who voted in the negative were:

Bettermann	Goodno	Krinkie	Olsen, S.	Welker
Dempsey	Gruenes	Limmer	Seaberg	
Girard	Haukoos	Newinski	Smith	

The bill was passed and its title agreed to.

H. F. No. 1978, A bill for an act relating to health; regulating ionizing radiation; delaying the effective date of certain rules; requiring their review by the commissioner of health.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Kinkel	Olson, K.	Solberg
Anderson, I.	Frerichs	Knickerbocker	Omann	Sparby
Anderson, R.	Garcia	Koppendrayer	Onnen	Stanius
Anderson, R. H.	Girard	Krambeer	Orenstein	Steenasma
Battaglia	Goodno	Krinkie	Orfield	Sviggum
Bauerly	Greenfield	Krueger	Osthoff	Swenson
Beard	Gruenes	Lasley	Ostrom	Thompson
Begich	Gutknecht	Leppik	Ozment	Tompkins
Bertram	Hanson	Lieder	Pauly	Trimble
Bettermann	Hartle	Limmer	Pellow	Tunheim
Bishop	Hasskamp	Lourey	Pelowski	Uphus
Blatz	Haukoos	Lynch	Peterson	Valento
Bodahl	Hausman	Macklin	Pugh	Vanasek
Boo	Heir	Mariani	Reding	Vellenga
Brown	Henry	McEachern	Rest	Wagenius
Carlson	Hugoson	McGuire	Rice	Waltman
Carruthers	Jacobs	McPherson	Rodosovich	Weaver
Clark	Janezich	Milbert	Rukavina	Wejzman
Cooper	Jaros	Morrison	Runbeck	Welker
Dauner	Jefferson	Munger	Sarna	Welle
Davids	Jennings	Murphy	Schafer	Wenzel
Dawkins	Johnson, A.	Nelson, S.	Schreiber	Winter
Dempsey	Johnson, R.	Newinski	Seaberg	Spk. Long
Dille	Johnson, V.	O'Connor	Segal	
Dorn	Kahn	Ogren	Simoneau	
Erhardt	Kalis	Olsen, S.	Skoglund	
Farrell	Kelso	Olson, E.	Smith	

Those who voted in the negative were:

Hufnagle      Marsh

The bill was passed and its title agreed to.

H. F. No. 2113 was reported to the House.

McEachern moved to amend H. F. No. 2113, the first engrossment, as follows:

Page 2, after line 35, insert a section to read:

“Sec. 4. Minnesota Statutes 1990, section 169.64, is amended by adding a subdivision to read:

Subd. 8. [FLASHING LIGHTS ON RURAL MAIL VEHICLES.] Notwithstanding subdivision 3, a vehicle owned or used by a mail carrier and used for delivery of United States mail may be equipped with a revolving safety light that is capable of being removed from the outside of the vehicle when not in use. Such a light (1) may be placed only on the top of the vehicle, and (2) may be activated only when the vehicle is actually engaged in the delivery of United States mail outside incorporated areas.”

Renumber the remaining sections.

Correct internal references

Amend the title as follows:

Page 1, line 5, after the semicolon insert “authorizing revolving safety lights on rural mail carrier vehicles;”

Page 1, line 9, before the period insert “; and 169.64, by adding a subdivision”

The motion prevailed and the amendment was adopted.

H. F. No. 2113, A bill for an act relating to traffic regulations; authorizing the operation of flashing lights and stop arms on school buses transporting persons age 18 and under to and from certain activities; authorizing revolving safety lights on rural mail carrier vehicles; requiring school bus sign on school bus providing such transportation; amending Minnesota Statutes 1991 Supplement, sections 169.441, subdivision 3; 169.443, subdivision 3, and by adding a subdivision; and 169.64, by adding a subdivision.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 122 yeas and 10 nays as follows:

Those who voted in the affirmative were:

Abrams	Bishop	Davids	Goodno	Heir
Anderson, I.	Blatz	Dawkins	Greenfield	Henry
Anderson, R.	Bodahl	Dille	Gruenes	Hufnagle
Anderson, R. H.	Boo	Erhardt	Gutknecht	Hugoson
Battaglia	Brown	Farrell	Hanson	Jacobs
Bauerly	Carlson	Frederick	Hartle	Janezich
Beard	Carruthers	Frerichs	Hasskamp	Jaros
Begich	Clark	Garcia	Haukoos	Jefferson
Bertram	Dauner	Girard	Hausman	Jennings

Johnson, A.	Macklin	Olson, K.	Sarna	Tunheim
Johnson, R.	Mariani	Omann	Schafer	Uphus
Johnson, V.	Marsh	Orenstein	Schreiber	Valento
Kahn	McEachern	Osthoff	Segal	Vellenga
Kelso	McGuire	Ostrom	Simoneau	Wagenius
Kinkel	McPherson	Ozment	Skoglund	Waltman
Knickerbocker	Milbert	Pauly	Smith	Weaver
Koppendrayner	Morrison	Pelowski	Solberg	Wejzman
Krambeer	Munger	Peterson	Sparby	Welker
Krinkie	Murphy	Pugh	Stanius	Welle
Krueger	Nelson, S.	Reding	Steenasma	Wenzel
Leppik	Newinski	Rest	Sviggum	Winter
Lieder	O'Connor	Rice	Swenson	Spk. Long
Limmer	Ogren	Rodosovich	Thompson	
Lourey	Olsen, S.	Rukavina	Tompkins	
Lynch	Olson, E.	Runbeck	Trimble	

Those who voted in the negative were:

Bettermann	Dempsey	Kalis	Onnen	Seaberg
Cooper	Dorn	Lasley	Pellow	Vanasek

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

H. F. No. 2273, A bill for an act relating to mental health; adding licensed marriage and family therapists to the list of qualified mental health professionals; amending Minnesota Statutes 1991 Supplement, sections 245.462, subdivision 18; and 245.4871, subdivision 27.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 6 nays as follows:

Those who voted in the affirmative were:

Abrams	Dille	Jacobs	Lourey	Orenstein
Anderson, I.	Dorn	Janezich	Lynch	Orfield
Anderson, R.	Erhardt	Jaros	Macklin	Osthoff
Anderson, R. H.	Farrell	Jefferson	Mariani	Ostrom
Battaglia	Frederick	Jennings	Marsh	Ozment
Bauerly	Frerichs	Johnson, A.	McEachern	Pauly
Bertram	Garcia	Johnson, R.	McGuire	Pellow
Bettermann	Girard	Johnson, V.	McPherson	Pelowski
Bishop	Goodno	Kahn	Milbert	Peterson
Blatz	Greenfield	Kalis	Morrison	Pugh
Bodahl	Gruenes	Kelso	Munger	Reding
Boo	Gutknecht	Kinkel	Murphy	Rest
Brown	Hanson	Knickerbocker	Nelson, S.	Rice
Carlson	Hartle	Koppendrayner	Newinski	Rodosovich
Carruthers	Hasskamp	Krambeer	O'Connor	Rukavina
Clark	Hausman	Krueger	Ogren	Runbeck
Cooper	Heir	Lasley	Olsen, S.	Sarna
Dauner	Henry	Leppik	Olson, E.	Schafer
Dawkins	Hufnagle	Lieder	Olson, K.	Schreiber
Dempsey	Hugoson	Limmer	Omann	Seaberg

Segal	Stanius	Trimble	Wagenius	Winter
Simoneau	Steensma	Tunheim	Waltman	Spk. Long
Skoglund	Sviggum	Uphus	Weaver	
Smith	Swenson	Valento	Wejzman	
Solberg	Thompson	Vanasek	Welle	
Sparby	Tompkins	Vellenga	Wenzel	

Those who voted in the negative were:

Beard	Haukoos	Onnen
Davids	Krinkie	Welker

The bill was passed and its title agreed to.

H. F. No. 2345 was reported to the House.

Carruthers moved that H. F. No. 2345 be continued on Special Orders. The motion prevailed.

H. F. No. 2483 was reported to the House.

Anderson, I., moved that H. F. No. 2483 be continued on Special Orders. The motion prevailed.

H. F. No. 2593 was reported to the House.

Welle moved that H. F. No. 2593 be continued on Special Orders. The motion prevailed.

H. F. No. 2106, A bill for an act relating to financial institutions; currency exchanges; imposing distance limitations and operating restrictions; requiring local approval of licenses; amending Minnesota Statutes 1990, sections 53A.02; 53A.04; and 53A.05.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 113 yeas and 20 nays as follows:

Those who voted in the affirmative were:

Abrams	Bishop	Dauner	Greenfield	Jacobs
Anderson, I.	Bodahl	Dawkins	Gutknecht	Janezich
Anderson, R.	Boo	Dille	Hanson	Jaros
Battaglia	Brown	Dorn	Hartle	Jefferson
Bauerly	Carlson	Erhardt	Hasskamp	Jennings
Beard	Carruthers	Farrell	Hausman	Johnson, A.
Begich	Clark	Frederick	Heir	Johnson, R.
Bertram	Cooper	Garcia	Henry	Johnson, V.



Kahn	Mariani	Omann	Rodosovich	Thompson
Kalis	Marsh	Onnen	Rukavina	Tompkins
Kelso	McEachern	Orenstein	Runbeck	Trimble
Kinkel	McGuire	Orfield	Sarna	Tunheim
Knickerbocker	McPherson	Osthoff	Schafer	Uphus
Koppendrayer	Milbert	Ostrom	Schreiber	Vanasek
Krambeer	Morrison	Ozment	Seaberg	Vellenga
Krueger	Munger	Pauly	Segal	Wagenius
Lasley	Murphy	Pellow	Simoneau	Wejzman
Leppik	Nelson, S.	Pelowski	Skoglund	Welle
Lieder	O'Connor	Peterson	Smith	Wenzel
Limmer	Ogren	Pugh	Solberg	Winter
Lourey	Olsen, S.	Reding	Sparby	Spk. Long
Lynch	Olson, E.	Rest	Steensma	
Macklin	Olson, K.	Rice	Swenson	

Those who voted in the negative were:

Anderson, R. H.	Dempsey	Gruenes	Kri kie	Valento
Bettermann	Frerichs	Haukoos	Ne: nski	Waltman
Blatz	Girard	Hufnagle	Stanius	Weaver
Dauids	Goodno	Hugoson	Sviggum	Welker

The bill was passed and its title agreed to.

H. F. No. 2352, A bill for an act relating to state agencies; providing that agency heads may not delegate affirmative action duties; amending Minnesota Statutes 1990, section 43A.191, subdivision 1.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 86 yeas and 46 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Farrell	Krambeer	Orfield	Steensma
Anderson, R.	Frederick	Krueger	Osthoff	Thompson
Battaglia	Garcia	Lasley	Ostrom	Trimble
Bauerly	Greenfield	Lieder	Ozment	Tunheim
Beard	Hanson	Lourey	Pelowski	Uphus
Begich	Hasskamp	Macklin	Peterson	Vanasek
Bertram	Hausman	Mariani	Pugh	Vellenga
Bishop	Jacobs	McEachern	Reding	Wagenius
Bodahl	Janezich	McGuire	Rest	Weaver
Brown	Jaros	Milbert	Rice	Wejzman
Carlson	Jefferson	Morrison	Rodosovich	Welle
Carruthers	Jennings	Murphy	Rukavina	Wenzel
Clark	Johnson, A.	Nelson, S.	Sarna	Winter
Cooper	Johnson, R.	O'Connor	Segal	Spk. Long
Dauner	Kahn	Ogren	Simoneau	
Dawkins	Kalis	Olson, E.	Skoglund	
Dille	Kelso	Olson, K.	Solberg	
Dorn	Kinkel	Orenstein	Sparby	

Those who voted in the negative were:

Abrams	Goodno	Knickerbocker	Omann	Sviggum
Anderson, R. H.	Gruenes	Koppendraye	Onnen	Swenson
Bettermann	Gutknecht	Krinkie	Pauly	Tompkins
Blatz	Hartle	Leppik	Pellow	Valento
Boo	Haukoos	Limmer	Runbeck	Waltman
Davids	Heir	Lynch	Schafer	Welker
Dempsey	Henry	Marsh	Schreiber	
Erhardt	Hufnagle	McPherson	Seaberg	
Frerichs	Hugoson	Newinski	Smith	
Girard	Johnson, V.	Olsen, S.	Stanius	

The bill was passed and its title agreed to.

### GENERAL ORDERS

Welle moved that the bills on General Orders for today be continued. The motion prevailed.

### MOTIONS AND RESOLUTIONS

Sparby moved that the name of Steensma be stricken and the name of Wenzel be added as an author on H. F. No. 2422. The motion prevailed.

Reding moved that H. F. No. 2791, now on General Orders, be re-referred to the Committee on Governmental Operations. The motion prevailed.

Munger moved that H. F. No. 2987 be recalled from the Committee on Environment and Natural Resources and be re-referred to the Committee on Rules and Legislative Administration. The motion prevailed.

### ADJOURNMENT

Welle moved that when the House adjourns today it adjourn until 1:00 p.m., Wednesday, March 25, 1992. The motion prevailed.

Welle moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 1:00 p.m., Wednesday, March 25, 1992.

EDWARD A. BURDICK, Chief Clerk, House of Representatives